A Financial Impact Analysis - Eastern Passage

Prepared for:

The Municipality of the County of Halifax and
The Eastern Passage Ratepayers Association

Prepared by:

Policy Development and Research Division
Department of Municipal Affairs
Province of Nova Scotia
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HOW TO READ THIS MODEL

What follows is a brief explanation of how to read this model.

In preparing the model, the Department of Municipal Affairs used the standard Statement of Estimates form that all municipal units use to prepare their annual estimates.

The model is broken down into three sections:

(1) **Introduction** - outlines the basic assumptions and methodology used in the Study, and explains the terminology and parameters of the Study.

(2) **Statement of Estimates** - includes summaries of revenues and expenditures which are the main functional accounts. This section is sub-divided into detailed revenue items, all preceded by the number "1", and detailed expenditure items, all preceded by the number "2".

(3) **Appendices** - provides further detail to the Revenue and Expenditure portion of the Study.

It may be helpful to keep in mind that the approach used to develop a Statement of Estimates for a municipal unit usually proceeds in the following sequence:

(1) a determination of total expenditures,
(2) a determination of available sources of revenue from other government transfers and own sources,
(3) a determination of the amount to be collected through property taxes (1 minus 2),
(4) a calculation of net taxable assessment,
(5) a calculation of the appropriate tax rate.

INTRODUCTION

BACKGROUND

At the request of the Eastern Passage Ratepayers' Association, and in cooperation with the Municipality of the County of Halifax, the Department of Municipal Affairs agreed to develop a model which would allow the County and the residents of Eastern Passage to examine the financial implications of a change in civic status for the community.

Several meetings were held at which there were representatives from the Municipality of the County of Halifax, the City of Dartmouth, the Eastern Passage Ratepayers Association, the Department of Municipal Affairs and the Government of Nova Scotia. Those present were:

Honourable David Nantes, Minister of Health and MLA for the area.
Warden Laszlo Lichter, Warden of the Municipality of the County of Halifax.
Councillor Eugene Deveaux, Halifax County.
Alderman Dennis Rodgers, City of Dartmouth.
Mr. Bob Horne, President of the Eastern Passage Ratepayers' Association.
Mr. Ken Meech, CAO, Halifax County.
Ms. Nancy Dempsey Crossman, Halifax County.
Mr. Clarence Lucas, Eastern Passage.
Mr. Bill Stanbrook, Eastern Passage.
Mr. Gordon Gillis, Deputy Minister, Department of Municipal Affairs.
Mr. Shingai Nyajeka, Department of Municipal Affairs
Ms. Cathy McPhee, Department of Municipal Affairs.
Ms. Cathleen O'Grady, Department of Municipal Affairs.

The role of the staff of the Department of Municipal Affairs has been to collect and process assessment and the financial information from within the Department, from other government departments, and outside sources. Information from the County was collected with the assistance of Nancy Dempsey Crossman of Halifax County Municipality. Departmental staff also consulted with Mr. Bob Horne, the President of the Eastern Passage Ratepayers Association from time to time to ensure that the assumptions upon which the model was based agreed with the goals of those for whom it was being developed.

STUDY AREA

It was agreed that the proposed boundaries for purposes of developing a financial impact model be those of District 6.

MODEL FORMAT

The format of the model follows the guidelines set out in the Department of Municipal Affairs Manual of Accounting and Reporting Practices for municipal financial reporting. Expenditures and revenues are itemized along with a description of the methodology used in arriving at the amount shown and any observations which the Department feels are worth noting.

The model follows the format for reporting municipal expenditures, revenue and related financial information set out in the Department of Municipal Affairs Manual of Accounting and Reporting Practices developed in conformity with the Financial Information System for Municipalities produced by Statistics Canada.

Revenues precede expenditures and are cross-referenced in the text where appropriate.

Because the format follows a national reporting standard there are a number of revenue and expenditure items listed which are not applicable to either municipal units in Nova Scotia generally, or the Study Area specifically. The notation "nil" in the estimate column identifies where this situation occurs.

BASE YEAR

The model uses revenues and expenditures which the Study Area is assumed to have experienced as an incorporated urban unit during the 1988 municipal fiscal year (January 1 to December 31). 1989 was selected as the base year as it was the most recent year for which complete financial data was available. It should be remembered however, that both costs and taxes have increased considerably for most municipal units since 1988, including those for the Municipality of the County of Halifax.

POPULATION

The model uses 8,505 as the 1988 population for District 6. This number was estimated by the County's Planning Department.

DWELLING UNITS

The Department of Municipal Affairs' assessment records indicate that there were 2,481 dwelling units in the Study Area in 1988.

STREET METERAGE

The Community Planning Division of the Department of Municipal Affairs estimates that there are 50.72 km of paved streets and roads in the Study Area. In addition, there are a number of unpaved private roads which have not been used for the purposes of this Study.

CIVIC STATUS

The study has been developed on the assumption that the Study Area is an incorporated urban unit within the present legislative framework; that is, a town.

SERVICE LEVELS

Unless otherwise stated in the text, service levels for purposes of the model have been established as those actually provided to the Study Area in 1988.

REVENUE & EXPENDITURES

Revenue and expenditures for purposes of the model have been derived from a number of sources which are described in detail in the text which follows. Almost all figures are rounded to the nearest one thousand. Where available the model uses actual amounts related to the Study Area as taken from the financial statements of the Municipality of the County of Halifax and various provincial departments and agencies. If a proration of amounts was required, the methodology is explained.

Where actual amounts were not available, estimates were made often using the town of Bedford's costs as a basis. Bedford, being very similar in population and location, was a very useful model. In some cases, the revenues or expenditures of other similarly sized towns were also considered. Details of what was considered are included in the text of this report.

Such cost sharing formulas as would be applicable to the Study Area in its own right as an incorporated urban unit have also been taken into account.

As is the case with any model, a number of assumptions had to be made in the course of its application. For purposes of the analysis that follows, the Study Area is assumed to be a town, with a Council and administration responsible for the range and level of services that were being provided by the Municipality of the County of Halifax to the Study Area in 1988. Many of the figures included in the study are estimates.

In the areas of transportation, police and general government, the model reflects the opinion of the Department of Municipal Affairs of what would be a reasonable level of service and administration for a newly incorporated town of the size and characteristics of the Study Area. In the areas of police protection and transportation, expenditures and revenue were developed by the Department of Municipal Affairs in consultation with provincial administrators as a "reasonable" reflection of the costs and related revenue that could be anticipated by a newly incorporated urban unit in assuming these new areas of responsibility given generally accepted standards and requirements in Nova Scotia.

Based on these assumptions, and others that are specified in the text, the model calculates that as a town the Study Area would incur an annual expenditure of approximately $6.9 million. Transfers and grants from other governments and local revenues from licenses, permits, interest on deposits and so on would generate approximately $1.1 million. Therefore, $5.8 million would have to be raised from the property tax base.

There are a number of factors which could substantially vary the revenue and expenditure amounts in the model from what may in fact be the case should the Study Area incorporate, among them:

- a decision by the newly elected council to vary the level of service from that actually provided in 1988 or assumed to be acceptable by the Department,
- the impact of inflation on costs derived from 1988 financial statements in the interim between the model's base year and incorporation of the Study Area,
- a decision to build rather than lease municipal facilities,
- adjustments in inter-municipal or provincial-municipal cost sharing arrangements,
- population growth and development activity,
- changes to the Study Area's assessment base, particularly to its major sources of revenue, the refineries and the Shearwater Air Base,
- changes to the contract with the RCMP,
- the effect of the federal Goods and Services Tax.

TAX BASE

The Study Area's tax base is taken from the certified 1988 assessment roll as filed with the Municipality of the County of Halifax and adjusted for appeals and properties paying full grants in lieu of taxes.

The adjusted roll in Schedule B indicates a net total taxable assessment of approximately $228.7 million, of which $154.6 million (68%) is taxed at the residential rate and $74 million (32%) is taxed at the commercial rate.

UNIFORM ASSESSMENT

There are a number of provincial-municipal and inter-municipal cost sharing arrangements based on formulas which use a municipal unit's "uniform assessment" when compared to other municipal units as an indication of its "ability to pay". The Department's grant formula is also based in part on uniform assessment.

Uniform assessment is calculated by converting grants-in-lieu of taxes paid to each municipality into an equivalent assessment value and adding this amount to a municipal unit's total taxable assessment.

The Study Area's uniform assessment for 1988 is calculated to be $212.5 million. Appendix No. 1 gives a table showing its calculation.

TAX RATES

For purposes of comparison, tax rates projected by the model for the Study Area reflect the commercial to residential tax rate ratio that was in effect in Eastern Passage in 1988.

The residential tax rate in Eastern Passage was $1.23 per $100 of assessment ($0.635 County residential rate plus $0.596 in area rates). The commercial tax rate was $2.22 ($1.62 County commercial rate plus $0.596 in area rates). This means that the commercial tax rate in Eastern Passage was 1.80 times that of the residential rate.

It should be noted that under Nova Scotia's legislation a municipal unit is not obliged to have two separate tax rates but all municipal units do, in fact, have both residential and commercial rates.

The ratio of commercial to residential tax rates is also, for all intents and purposes, a local council decision except that the legislation stipulates that residential rates may not exceed commercial rates.

The mechanics of establishing these rates are explained more fully under Schedule A. The model generates a residential tax rate of $2.02 per $100 of assessment, representing an increase of 64 percent over Eastern Passage's 1988 residential rate. The commercial rate generated by the model is $3.63 per $100 of assessment, and this represents a 63 percent increase over the actual commercial rate in effect in 1988.

The Department hopes the model will be of benefit to the Community of Eastern Passage and the Municipality of the County of Halifax.

STATEMENT OF ESTIMATES

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SCHEDULES

SCHEDULES

Schedule A

Calculation of Tax Rates

Taxes paid by property owners are the product of assessment multiplied by tax rate. Municipal councils may set a general tax rate for both commercial and residential properties, or they may set a higher rate for commercial property and a lower one for residential property. In practice, all municipal units in Nova Scotia set separate commercial and residential tax rates.

In calculating tax rates for the Study Area, a commercial tax rate that is 1.80 the residential tax rate was assumed. As noted in the introduction, this was the ratio in effect in Eastern Passage in 1988. For comparison purposes, in 1988, the commercial to residential split rate ratio for Bedford was 1.97, the average split ratio was 1.78 for towns, and the overall municipal average was 1.92.

The basic steps in deriving the tax rates on Schedule A are as follows:

1. Obtain the amount of revenue needed to meet total expenditures from the Summary of Revenues and Expenditures.

2. From this, subtract revenues not based on tax rates: grants, licenses, fines, deed transfer taxes, and MT&T revenues.

3. The difference is the amount of money that must be raised through property taxes, and is commonly referred to as the tax levy.

4. General Rate: Divide the tax levy by total net taxable assessment shown on Schedule B.

5. Commercial Rate: Divide the tax levy by commercial assessment plus a calculated percentage of residential assessment - in this case 55.7% of residential assessment.

6. Residential Rate: Subtract product of commercial rate times commercial assessment from tax levy, and divide the remainder by residential assessment shown on Schedule B.

SCHEDULE A

Calculation of Tax Rates

	1988 Estimate
1. Estimated Expenditures	6,938,000
2. Less: Revenue Other than Tax Levy (Exclude properties whose tax or grant varies with tax rate, Schedule D)	1,131,400
3. Tax Levy (1 minus 2)	5,806,600
4. Total Net Taxable Assessment (from Schedule B)	228,567,000
5. General Tax Rate (3 divided by 4)	0.0254
*6. Commercial Rate (separately determined) or (tax Levy [Step 3] divided by Total of Total Net Taxable Commercial Assessment plus 55.7% of Total Net Taxable Residential Assessment)	0.0363
*7. Residential Tax Rate (Tax Levy [Step 3] minus (Total Net Taxable Commercial Assessment times Commercial Rate [Step 6] all divided by Total Net Taxable Residential Assessment) (Take Assessment figures from Schedule B)	0.0202

* Step 6 and 7 need be separately calculated only if council has determined to set a higher Commercial Tax Rate than that shown in Step 5. If not,then the rate shown in Step 5 should be inserted for Step 6 and 7.

NOTE: 1988 EP Commercial/Residential Split Rate Ratio : $2.22/$1.23 = 1.80
1988 Suggested EP Study Area Split Rate Ratio : $3.63/$2.02 = 1.80

Schedule B

Assessment Roll Summary

Assessment figures on this Schedule were compiled from Department of Municipal Affairs assessment records.

The Schedule gives a breakdown and summary of taxable assessment used on Schedule A in calculating tax rates.

Assessment figures in Column (1) are taken from the assessment roll summary filed by the Director of Assessment for January 1, 1988.

Normally Column (3) is calculated by adding or subtracting Column (2) from Column (1); however, in this analysis Column (3) is based on updated figures received and used by Halifax County for purposes of tax billings approximately six months after the roll was filed by the Director of Assessment. The analysis used Column (3) to estimate changes by the Director of Assessment arising from appeals under Column (2). No further adjustments under Column (4) were necessary.

Note: The classes of assessment on this Schedule may be defined in general terms as follows:

1. Residential property is any property used or intended to be used for residential purposes and includes homes, boarding houses, mobile homes, apartments, cottages and land intended for residential development. Portions of motels or hotels used for lodging are excluded.

2. Resource property is essentially property used for farm or forest purposes, subject to certain exemptions. In addition, lands of municipal water utilities and service buildings of fishermen are classified as resource. Except where specified, resource property is taxed at the residential rate.

3. Commercial property is any property that is neither residential nor resource, and includes motels, hotels, forest property over 50,000 acres, and machinery and equipment used for processing.

4. Business occupancy refers to the value levied on all individuals or firms occupying or using a commercial property. There are three classes of business occupancy assessment and each of them is a specified percentage of the assessed value of the land and buildings occupied.

   In all cases, the business occupancy assessment is taxed at the commercial rate.

SCHEDULE B

Assessment Roll Summary

	(1) Taxable Value as Shown on Roll	(2) Changes (plus or minus)	(3) Subtotal	(4) LESS: Allowances For Losses on Appeals	(5) LESS: Properties Subject to Special Tax Agreement or Legislation Col. 3 of Sch. C	(6) ADD: Properties Whose Tax or Grant Varies With Tax Rate Schedule D	(7) Net Taxable Assessment
RESIDENTIAL							
1. Residential Property	123,586,000	(189,500)	123,396,500	(see footnote)	nil	21,433,313	144,829,813
2. Resource Property	4,460,400	0	4,460,400	-	-	5,304,662	9,765,062
3. Total Residential	128,046,400	(189,500)	127,856,900	-	-	26,737,975	154,594,875
COMMERCIAL							
4. Commercial Property (Include commercial equipment)	30,688,200	0	30,688,200	-	-	34,933,304	65,621,504
5. Business Occupancy	8,379,900	(29,600)	8,350,300	-	-	-	8,350,300
6. Total Commercial	39,068,100	(29,600)	39,038,500	-	-	34,933,304	73,971,804
7. Total Assessment (4 plus 7)	167,114,500	(219,100)	166,895,400	-	-	61,671,279	228,566,679

(1) This column should be taken from the Assessment Roll Summary attached to the Certified Roll
(2) Enter S.84 changes, known appeal court changes, etc.
(3) Column (1) plus or minus column (2)
(4) Enter any estimated reductions in assessment, and use this column to calculate account No. 21246.
Note: Column 7 is for use in calculating Schedule A. Use column 3 for calculating the values for account No.'s

Schedule C

Properties Subject to Special Tax Agreements or Legislation

There are no agreements or special legislation providing for tax agreements/concessions within the Study Area.

SCHEDULE C

Properties Subject to Special Tax Agreements or Legislation

This Schedule should include any properties whose taxes are reduced by special tax agreements or legislation. The assessed value shown on the roll should be shown in Column (3) and any payment made pursuant to the agreement, except full taxes, should be shown in Column (5). If any part of the property is subject to taxation at the prevailing tax rate, the relevant assessed value should be shown on Schedule D in addition to showing the full value here.

	(1)	(2)	(3)	(4)	(5)
	Owner	Authority and Date Granted (a)	Total Assessment	Assessment X Rate (b)	Actual Payment
Commercial (include property and equipment)					
Total			c		
Business Occupancy					
Total			c		
Residential					
Total			c		
Resource					
Total			c		
GRAND TOTAL				d	e

(a) Bonus Act By-law, I.E.L. Act Agreement, or Statute (please specify) and date granted
(b) Applicable Assessment times rate from Schedule A
(c) Transfer to Schedule B, Column 5
(d) Account No. 21247
(e) Account No. 11122

Schedule D

Properties Whose Grant Varies with Tax Rate

Assessment figures on this Schedule are compiled from 1988 grants in lieu files of the Department of Municipal Affairs and Halifax County. A further summary of these figures is given in Appendix 2.

Column (2) shows assessment values of all those properties whose grants in lieu of taxes are based on the tax rate. Column (3) is calculated by applying tax rates from Schedule A to appropriate assessment values in Column (2).

SCHEDULE D

Properties Whose Tax or Grant Varies With Tax Rate

This Schedule should include all properties in respect of which taxes or grants in lieu of taxes are paid equal to the current tax rate times the full value (or a fixed) assessment. Provincial Properties and Property of Supported Institutions for which the Provincial Government will be paying grants in lieu of taxes equal to assessment times the tax rate must be included on this schedule. Examples of other properties which might be included here are many Federal grants in lieu of taxes and some tax concessions which granted a fixed tax rate. Use only the assessment value to which the full tax rate applies. If the property is shown on the tax rolls as taxable full value, but the tax rate only applies to a lesser value, show the lesser value on this Schedule and the full value should be shown on Schedule C with any payment made pursuant to the agreement, other than full taxes shown on this Schedule, entered in the "Actual Payment" column of Schedule C. Note: In some cases the "Actual Payment" column will show a "Nil" amount.

	(1) Owner	(2) Applicable Assessment	(3) Assessment X Rate
Commercial (include real property and equipment)	Fed Gvt	34,908,104	1,265,403
	Prov Gvt	25,200	913
Total		34,933,304	1,266,316
Business Occupancy		-	-
Total		-	-
Residential	Fed Gvt	20,345,063	410,787
	Prov Gvt	1,088,250	21,973
Total		21,433,313	432,760
Resource	Fed Gvt	5,304,662	107,106
Total		5,304,662	107,106
GRAND TOTAL		61,671,279	1,806,182

Col (2): Transfer appropriate totals to Schedule B, Column 6
Col (3): Applicable Assessment times rate from Schedule A (This column can only be completed once you have established both tax rates)
Col (3): Enter appropriate amounts in account No. 11122 on Schedule 1-1

Summary of Revenue and Expenditures

This Summary lists the totals for each category of revenue and expenditures in the document.

A more detailed breakdown of any revenue or expenditure total can be located in the text that accompanies the model, or in various accounts. It might be helpful to keep in mind that all revenue accounts start with the number "1", while expenditure accounts start with the number "2".

SUMMARY OF REVENUES AND EXPENDITURES

Summary Account Number			1988 Estimate
	REVENUES		
11000	Taxes		4,205,000
12000	Grants In Lieu of Taxes		1,829,000
13000	Services Provided To Other Governments		0
14000	Sales of Services		26,000
15000	Other Revenue From Own Sources		138,400
16000	Unconditional Transfers From Other Governments		33,000
17000	Conditional Transfers From Federal Or Provincial Governments or Agencies		705,000
18000	Conditional Transfers From Other Local Governments		0
19000	Other Transfers, Collections For Other Governments		0
		TOTAL	6,936,400
	EXPENDITURES		
21000	General Government Services		735,000
22000	Protective Services		1,246,000
23000	Transportation Services		1,004,000
24000	Environmental Health Services		325,000
25000	Public Health and Welfare Services		1,007,000
26000	Environmental Development Services		174,000
27000	Recreation and Cultural Services		363,000
28000	Fiscal Services		2,084,000
29000	Extraordinary or Special Items		0
		TOTAL	6,938,000
49000	Surplus (Deficit)		(1,600)

REVENUE

REVENUE

11000 TAXES

11100 Assessable Property

11110 Residential Taxes

The amount shown is derived by applying the residential tax rate calculated on Schedule A to the residential assessment on Schedule B, Column (3).

11121 Commercial Taxes

The amount shown is derived by applying the commercial tax rate from Schedule A to the commercial assessment on schedule B, Column (3). The figure for commercial assessment includes real commercial property and machinery and equipment.

11150 Resource

11151 Resource Property Taxes

The amount shown is calculated by applying the residential tax rate to the assessment figure on Schedule B, column (3).

11152 Recreational Property Tax

Under the Assessment Act, all land in excess of three acres used for purposes of a non-profit organization is exempt from regular taxation on assessed value. Instead, the organization pays taxes at the rate of $7.76 per acre. Regular taxation applies where the organization declined this special arrangement in 1977.

No tax revenues are shown under this classification, as there is no assessed value for recreational property on the assessment roll applicable to the Study Area.

11153 Forest Property (less than 50,000 acres)

Under the Assessment Act, forest property under 50,000 acres is exempt from full taxation, and instead the property owner pays taxes at the rate of 25 cents per acre.

No tax revenues are shown as there is no assessed value for this property in District 6.

11154 Forest Property Tax

Under the Assessment Act, forest property over 50,000 acres is exempt from full taxation on the assessed value. Instead, the owner pays taxes at the rate of 40 cents per acre.

No tax revenues are shown under this classification, as there is no assessed value for forest property over 50,000 acres on the assessment roll applicable to the Study Area.

11180 Area Rates

Area rates are additional assessment based taxes normally levied by rural municipalities in order to recover the cost of providing certain services such as garbage collection and disposal, street lighting, recreation, sidewalks, school crosswalk guards, and sewer maintenance in a specific area(s) of the municipality.

Nothing is shown under this section. Area rates currently levied by the County to recover the cost of certain services provided to District 6 would be absorbed in the Study Area's general residential and commercial rates were it to incorporate as an urban unit.

11200 Special Assessments

Special assessments are levies imposed to recover the costs of improvements to specific properties. They are usually based on foot frontage and may include water and sewer installations, street paving, sidewalks, and other improvements.

11213 Transportation Services

This category includes frontage charges for sidewalks and street paving. No amount is shown because there were no special assessments billed to property owners in District 6 in 1988.

11214 Environmental Health Services

This category includes frontage charges for sewer laterals. No amount is shown because there were no special assessments billed to property owners in District 6 in 1988.

11400 Business Property

11410 Business Occupancy Taxes

The amount shown is calculated by applying the commercial tax rate on Schedule A to business occupancy assessment on Schedule B, Column (3).

11420 M T & T Revenue

MT&T pays a grant in lieu of taxes on its lines, poles, towers, conduits, etc. The Study Area's share of the grant paid by MT&T to Halifax County was prorated on the basis of population distribution.

1988 estimated population for the Study Area is 6.38% of the County population, and this percentage was applied to 1988 MT&T payment to Halifax County to arrive at the amount shown.

11900 Other Taxes

11910 Deed Transfer Tax

A deed transfer tax may be levied by a municipal unit on the purchase price of real property at the time a transfer in deed is registered. The deed transfer tax rate in Halifax County in 1988 was one percent of the purchase price. The Cities of Halifax and Dartmouth can charge up to 2% and the Town of Bedford charges 1.25% with 1% for transfer of property containing a single family home with a value of less than $100,000. The rate in Halifax County is now 1.25% of the purchase price.

We have assumed that the 1988 rate in the County of Halifax will apply in the Study Area. However, it should be noted that the Deed Transfer Tax Act which is the general legislation dealing with municipal deed transfer tax limits the tax rate on the purchase price to one half of one percent.

The amount shown reflects the value of the tax derived from property transactions within the Study Area in 1988. Because the deed transfer tax fluctuates with real estate activity it can be a volatile revenue source. Between 1986 and 1989, the revenues from the deed transfer tax were as follows:

Year	Amount
1986	$ 224,867
1987	240,271
1988	181,207
1989	151,613

11000 TAXES

Schedule 1-1

			1988 Estimate
11100	ASSESSABLE PROPERTY		
11110	Residential		2,493,000
11120	Commercial		
11121	Based on Taxable Assessments (include property and equipment)		1,113,000
11122	Based on Special Tax Agreements or Legislation		Nil
11150	Resource		
11151	Taxable Assessments		90,000
11152	Recreational Property Tax		Nil
11153	Forest Property Tax (less than 50,000 acres)		0
11154	Forest Property Tax (50,000 acres or more)		Nil
11180	Area Rates		
11182	Protective Services		Nil
11182	Protective Services (Section 40B[3])		Nil
11183	Transportation Services		Nil
11184	Environmental Health Services		Nil
11187	Recreation and Cultural Services		Nil
11189	Other		Nil
11190	Other		Nil
			Nil
		Subtotal	3,696,000
11200	SPECIAL ASSESSMENTS		
11210	Frontage Rates		
11213	Transportation Services		0
11214	Environmental Health Services		Nil
11290	Other		
11291	Environmental Health Services		Nil
11292	Business Improvement District Taxes		Nil
		Subtotal	0
11400	BUSINESS PROPERTY		
11410	Business Occupancy		303,000
11420	Based on Revenue (M.T. & T.)		25,000
		Subtotal	328,000
11900	OTHER TAXES		
11910	Deed Transfer Tax		181,000
11920	Change in Use Tax		Nil
11990	Other (Specify)		Nil
		Subtotal	181,000
		TOTAL	4,205,000

12000 GRANTS IN LIEU OF TAXES

Property of both the federal and provincial governments and their agencies is constitutionally exempt from paying municipal taxes. However, it is the policy of the federal government and the Province of Nova Scotia to pay grants in lieu of taxes for various categories of property owned or occupied.

A summary of 1988 assessment values of grants in lieu of taxes applicable to properties in the Study Area is given in Appendix 2. Amounts shown were either taken from, or confirmed against Halifax County and Municipal Affairs records.

12100 Federal Government

The amount shown is the grant in lieu of taxes that would be paid at the tax rate generated by the model in respect of property owned by the federal government and located in the Study Area.

12310 Provincial Property and Property of Supported Institutions

The amount shown is the grant in lieu of taxes that would be paid at the tax rate generated by the model in respect of property owned by the provincial government and located in the Study Area.

12320 Crown Timber Lands

The Province pays grants in lieu of taxes at the rate of 41 cents per acre of crown timberland. No amount is shown as the grant is negligible.

12330 Fire Protection

Where there is no provision for grants in lieu of taxes on provincially owned properties such as hospitals, or correctional facilities, the Department of Municipal Affairs pays a grant in consideration of fire protection provided to these properties.

No amount is shown as there is no property eligible for this payment in the Study Area.

12420 Liquor Commission

The Nova Scotia Liquor Commission is authorized to calculate and disburse grants in lieu of property taxes on Commission owned property and grants in lieu of business taxes on Commission owned and leased properties according to a predetermined formula. As there was no liquor store in District 6 in 1988, no figure was included in this account.

12430 Power Corporation

The NSPC pays a grant in lieu of taxes on its property. The Study Area's share of the grant paid by the Power Corporation was prorated between Halifax County and the Study Area on the basis of uniform assessment. It was felt that using uniform assessment rather than population would yield a better estimate of power consumption and the grant payment.

1988 uniform assessment for the Study Area is 6.97% of the County's uniform assessment, and this percentage was applied to 1988 NSPC grant payment to Halifax County to arrive at the figure shown.

12000 GRANTS IN LIEU

Schedule 1-2

			1988 Estimate
12100	FEDERAL GOVERNMENT	Subtotal	1,781,000
12200	FEDERAL GOVERNMENT AGENCIES		
12210	Air Canada		Nil
12220	Canadian Broadcasting Corporation		Nil
12230	Canada Mortgage and Housing Corporation		Nil
12240	Canadian National Railway		Nil
12250	Canadian Overseas Telecommunications Corporation		Nil
12260	Cape Breton Development Corporation		Nil
12270	National Harbours Board		Nil
12280	Canada Post		2,000
		Subtotal	2,000
12300	PROVINCIAL GOVERNMENT		
12310	Provincial Property and Property of Supported Institutions		23,000
12320	Crown Timber Lands		0
12330	Fire Protections		Nil
12340	Department of Housing		Nil
		Subtotal	23,000
12400	PROVINCIAL GOVERNMENT AGENCIES		
12420	Liquor Commission		Nil
12430	Power Corporation		23,000
12450	Industrial Estates Limited		Nil
12490	Other		Nil
		Subtotal	23,000
		TOTAL	1,829,000

13000 SERVICES PROVIDED TO OTHER GOVERNMENTS

As a new municipal unit, the Study Area is not likely to find itself providing services outside its boundaries.

No revenue is attributed to this source.

13000 SERVICES PROVIDED TO OTHER GOVERNMENTS

Schedule 1-3

			1988 Estimate
13100	FEDERAL GOVERNMENT		Nil
13110	General Government Services		Nil
13120	Protective Services		Nil
13130	Transportation Services		Nil
13140	Environmental Health Services		Nil
13150	Public Health and Welfare Services		Nil
13160	Environmental Development Services		Nil
13170	Recreation and Cultural Services		Nil
13180	Fiscal Services		Nil
13190	Other Services	Subtotal	0
			Nil
13200	PROVINCIAL GOVERNMENT		Nil
13210	General Government Services		Nil
13220	Protection Services		Nil
13230	Transportation Services		Nil
13240	Environmental Health Services		Nil
13250	Public Health and Welfare Services		Nil
13260	Environmental Development Services		Nil
13270	Recreation and Cultural Services		Nil
13280	Fiscal Services		Nil
13290	Other Services		Nil
		Subtotal	0
13300	OTHER LOCAL GOVERNMENT		Nil
13310	General Government Services		Nil
13320	Protective Services		Nil
13330	Transportation Services		Nil
13340	Environmental Health Services		Nil
13350	Public Health and Welfare Services		Nil
13360	Environmental Development Services		Nil
13370	Recreation and Cultural Services		Nil
13380	Fiscal Services		Nil
13390	Other Services		Nil
		Subtotal	0
		TOTAL	0

14000 SALES OF SERVICES

14700 Recreation and Cultural Services

Most municipalities recoup all, or part, of the cost of certain services through charges based on the amount of such service supplied to individuals.

For the Study Area, this revenue is based on actual revenue received by County's Recreation Division in 1988 from program fees from programs offered in Eastern Passage.

14000 SALES OF SERVICES

Schedule 1-4

		1988 Estimate
14100	General Government Services	Nil
14200	Protective Services	Nil
14300	Transportation Services	Nil
14400	Environmental Health Services	Nil
14500	Public Health and Welfare Services	Nil
14600	Environmental Development Services	Nil
14700	Recreation and Cultural Services	26,000
14900	Other Services	
	TOTAL	26,000

15000 OTHER REVENUE FROM OWN SOURCES

15100 Licenses and Permits

Actual revenue from building permits and preliminary permits was provided by the Director of Planning, County of Halifax, as was the amount from dog tags. Licenses include health permits, vending machines and taxi licenses. Revenues from these licenses and taxi certificates were prorated by population from the totals for the County. **For detail, see Appendix 3.**

15200 Fines

Fines refers to revenue collected from the police enforcement of the Motor Vehicles Act and the Liquor Control Act. Where there is a local police force these fines are paid to the municipal unit. Amounts shown were calculated using the average fines collected in Bedford, Amherst, Sydney Mines and North Sydney.

15500 Return on Investments

The amount shown was estimated by Halifax County Financial Department and includes interest on deposits and interest on collections for special assessments pertaining to the Study Area. The calculations and method used to arrive at the figure shown are included in Appendix 4.

15600 Penalties and Interest on Taxes

The amount shown was estimated by the Halifax County Finance Department and reflects the interest that would be earned by the Study Area on outstanding taxes. The calculations and method used are included in Appendix 4.

15900 Miscellaneous

The amount shown is rounded to the nearest $100 and includes sundry income pertaining to the Study Area not classified under any other account. The calculations and method used are included in Appendix 4.

15000 OTHER REVENUE FROM OWN SOURCES

Schedule 1-5

		1988 Estimate
15100	Licenses and Permits	49,000
15200	Fines	35,000
15300	Rentals	Nil
15400	Concessions and Franchises	Nil
15500	Return On Investments	34,000
15600	Penalties and Interest On Taxes	20,000
15900	Miscellaneous	400
	TOTAL	138,400

16000 UNCONDITIONAL TRANSFERS FROM OTHER GOVERNMENTS

16200 Provincial Government

16260 Department of Transportation

16261 Ice Control and Snow Removal

The Department of Transportation makes a contribution to the various cities and towns throughout the Province towards the cost of ice control and snow removal on the total meterage of highway under agreement in each city and town. The contribution is determined by using the estimated costs per kilometre of ice control and snow removal on public highways in the area and paying a percentage of the cost, equal to the provincial proportion at the Foundation Scale rate applicable in the city or town involved, for each kilometre of highway under agreement.

Although the Foundation Scale for Halifax County is 78%, there is no longer a means of calculating the appropriate Foundation Scale rate for a new municipal unit. Bedford, for purposes of Department of Transportation cost sharing after its incorporation in 1980, is at 50% sharing as are the other metro urban units. The model has therefore assumed 50% cost sharing for purposes of calculating a grant to the Study Area.

The amount shown is based on the costs for ice control and snow removal for public highways within the Study Area for 1988 based on estimates from the Department of Transportation Annual Report. Calculations are shown in Appendix 5.

16280 Department of Municipal Affairs

16281 Municipal Grants Act (Operating Grant)

The Municipal Grants Act provides for the payment of an unconditional operating grant based on expenditure need and ability to pay.

Ability to pay is measured in terms of a municipal unit's "uniform assessment", which is calculated by converting grants in lieu of taxes into an equivalent assessment value and adding this amount to the total taxable assessment.

Figures used in calculating uniform assessment are based on assessment data for the previous year. Assessment figures as shown on the certified roll for 1987 are used to calculate the 1988 uniform assessment of $212.5 million for the Study Area. The table in Appendix No. 1 gives calculation detail for the Study Area's uniform assessment.

The concept of expenditure need is based on the premise that municipal units of different size and different urban or rural character deliver different levels of service. For this reason each urban municipal unit is classified into one of three classes according to size in terms of the number of dwelling units outlined below:

CLASS I	7500 dwelling units or more (the three cities)
CLASS II	3000 to 7499 dwelling units (the four largest towns)
CLASS III	250 to 2999 dwelling units (all other towns)

The rural municipalities are all classified together in one class but a distinct classification (Class IV) was created which recognized higher demand for services and expenditure need in urbanized areas of rural municipalities. These special areas are selected using size, density and urban character as criteria.

CLASS IV	urbanized areas of rural municipalities
CLASS V	rural municipalities excluding Class IV above

At present, most of the Study Area falls under Class IV as an urbanized area of the County of Halifax. As an incorporated urban municipal unit, with 2,481 dwelling units, the Study Area would fall under Class III.

Calculations done under the grant formula show that the Study Area would have received no operating grant in 1988. There are a few other units, including Bedford, that receive no grant.

16286 Assessment Act, Farm Property Acreage

Under the Assessment Act, farmland is exempt from taxation and, instead, the province pays the municipal unit a compensatory grant at a prescribed rate, which was $1.63 per acre in 1988.

No amount is shown as there is no eligible farm acreage in the Study Area.

16000 UNCONDITIONAL TRANSFERS FROM OTHER GOVERNMENTS

Schedule 1-6

			1988 Estimate
16100	FEDERAL GOVERNMENT		
161__	(specify)	Subtotal	0
16200	PROVINCIAL GOVERNMENT		
16260	Department of Transportation		Nil
16261	Ice Control and Snow Removal		33,000
16280	Department of Municipal Affairs		
16281	Municipal Grants Act (Operating)		0
16286	Assessment Act, Farm Property Acreage		0
16289	Other (Specify)		Nil
		Subtotal	33,000
16300	OTHER LOCAL GOVERNMENTS		
	(Specify)	Subtotal	Nil
		TOTAL	33,000

17000 CONDITIONAL TRANSFERS FROM FEDERAL OR PROVINCIAL GOVERNMENTS OR AGENCIES

17100 Federal Government

17200 C.M.H.C.

Federal conditional grants are usually those offered by the Canada Mortgage and Housing Corporation, such as the Residential Rehabilitation Assistance Program and the former Neighbourhood Improvement Program. The County of Halifax has advised that they receive no conditional grants from the federal government for the Study Area.

17500 Provincial Government

As an incorporated urban unit, the Study Area would receive a number of conditional transfers or grants from the Province:

17525 Emergency Measures Organization

The Emergency Measures Organization will match up to $250 that a municipal unit contributes towards its local EMO. As it was indicated that an EMO is not a priority at this time, no amount was included under this account.

17530 Transportation Services

17532 Road Transport

Agreements may be made with cities and towns to pay a percentage of the cost of construction, reconstruction or maintenance of any highway, or portion thereof in the city or town, if in the opinion of the Minister of Transportation the highway forms a connecting link in a main trunk highway of the province or is a main highway leading into or through the city or town. The percentage paid by the Department of Transportation is equal to the provincial proportion at the Foundation Scale rate applicable in the city or town and in no case is this percentage less than 50 percent. For the Study Area, the Foundation Scale used is 50% as explained in account #16261.

To calculate the grant, a per kilometre estimate based on some of the expenditures under account #23230 was determined and from this the total costs for road maintenance for the shareable roads was calculated.

Based on the Foundation Scale, the total grant paid to the municipality would be 50% of the total road maintenance expenditures related to shareable roads within the Study Area. See Appendix 6.

17550 Public Health and Welfare Services

17557 Social Welfare

Many aspects of the revenue side of the Social Services budget could be described as "expenditure driven". The level of expenditure dictates in part what revenues will be received in the form of cost sharing from the province through the Department of Social Services.

While it is difficult to predict the exact level of cost sharing a new municipal unit would receive, the model assumes the same level of service and percentages of cost sharing as existed in Halifax County in 1988. In 1988, the federal and provincial governments paid 63.8%, and Halifax County paid 36.2%, of the total program and administrative costs for social services in the County. For further details, see Appendix 7. Revenues reflect amounts that would be received by the Study Area in its own right as an incorporated urban unit based on 1988 expenditures attributed to the area. Social Services expenditures are shown under account #25000.

17560 Environmental Development Services

17561 Planning

The Department of Municipal Affairs may provide financial assistance for municipal planning as follows:

Under the Planning Act, the Department may pay to a municipal council or to a district planning commission up to 50% of the "approved costs" for the preparation and administration of municipal planning strategies, inter-municipal planning strategies, land use bylaws and subdivision bylaws. Cost sharing will be based on approved costs as established by the Minister.

The Departmental policy has been to provide cost sharing of up to 50% for the preparation, review and amendment of municipal planning strategies and land use bylaws but not to provide cost sharing associated with the on-going administration of these documents. Staff of the Community Planning Division of the Department of Municipal Affairs estimate that a town with a planning budget of the size indicated in the figures prepared by the Director of Planning at the County, would be eligible for funding of between $30,000.00 and $40,000.00. Therefore, $35,000.00 has been included in this account as revenue. The expenditures for planning are found under account #26130.

17562 Community Development (Mainstreet Program)

The Mainstreet Program, through the Department of Development, encourages the restoration of economic vitality in business districts. The newly incorporated municipal unit would have to have a Business Improvement District Commission. Municipalities must have a planned strategy with clearly defined guidelines and follow application procedures in order to qualify for program funding. The basic funding components of the Mainstreet Program are in the areas of beautification, facade improvement, retail area development and revitalization of downtown commercial activity.

The amount shown is that actually claimed in 1988 in respect to Eastern Passage under the Village Square program. The Village Square program is also administered by the Department of Small Business and has eligibility requirements similar to those of the Mainstreet Program. In 1988, the Eastern Passage area would have been eligible for $12,000 in grant, but claimed only $6,000 so $6,000 has been included under this account.

17563 Industrial Commission

The Department of Small Business Development has a grant program to encourage local participation in the industrial and commercial development process. It does this through sharing in the operational and promotional costs of industrial commissions incorporated under provincial legislation. The Department cost shares with the commission eligible non-capital, operating and promotional costs 50/50 with another sponsoring body up to a maximum grant of $25,000 per commission per year. There is actually no new money available at present, so it is unlikely that any money would be forthcoming from this source. It was also indicated that an industrial commission is not a priority at this time, so no amount has been included under this account.

17570 Recreation and Cultural Services

17571 Recreation

If incorporated as a municipal unit, the Study Area would be eligible for two different grants from the Nova Scotia Sports and Recreation Commission. The two grants are the Basic Recreation Program Grant and the Leadership Grant.

Basic Recreation Program Grant:

A grant is paid to assist municipalities with the cost of developing or maintaining recreational services for Nova Scotians. The grant is equal to $1 for the first 3000 of population, $.50 for the next 3000 in population, $.25 for the remainder of the population. The grant, based on a population of 8505 (the estimate we are using as District 6's 1988 population), would be $5126. The municipality would be eligible for this amount only if it spends twice as much for program development. For the study, we assume that it will.

Leadership Grant:

A leadership grant is available to a municipal unit which employs a full-time recreation administrator. Depending upon their qualifications, the Commission will share half, up to a maximum contribution of $12,000, of the salary and related costs of an employee whose responsibility is in the administration, supervision and coordination of community recreation for each municipal unit. A grant is available to assist with the salary of a second full-time professional involved in the development, promotion and implementation of recreation programs at the municipal level. Fifty percent of the salary and expenses up to a maximum of $9,500 is available to municipalities that qualify. Municipalities already receiving cost sharing for basic programming that have a full-time director are eligible. For the purposes of the study, we assume that Eastern Passage will qualify for both grants for a total of $10,750.

There are also grants for capital costs for recreation facility development. These grants are discretionary and may be from zero to one-third of the costs.

17572 Regional Library

The province pays a grant to each city, town or municipality which has entered into an agreement for the establishment and operation of a regional public library. There is no regional library located in District 6, so no amount has been included under this account.

17580 Fiscal Services

This account includes revenue related to debt charges shareable with the province on capital projects approved under the Municipal Services Act (MSA) prior to December 31, 1979 and for which a claim for cost sharing was filed with the Minister of Municipal Affairs prior to December 31, 1981. These payments from the province remain with Halifax County which would still retain the liability for any outstanding capital debt relating to MSA projects in the Study Area.

The Study Area receives no revenues under this account.

17000 CONDITIONAL TRANSFERS FROM FEDERAL OR PROVINCIAL GOVERNMENTS OR AGENCIES

Schedule 1-7

			1988 Estimate
17100	FEDERAL GOVERNMENT		Nil
171__	(Specify functional program)		
171__	(Specify functional program)		
		Subtotal	0
17200	FEDERAL AGENCY - CANADA MORTGAGE AND HOUSING CORPORATION		
172__	(Specify functional program)	Subtotal	0
17500	PROVINCIAL GOVERNMENT		
17520	Protective Services		Nil
17521	Police Protection		
17523	Law Enforcement		
17524	Fire Protection		
17525	Emergency Measures Organization		0
17529	Other Protection (i.e. Dutch Elm Disease)		Nil
17530	Transportation Services		
17532	Road Transport		26,000
17540	Environmental Health Services		
17542	Sewage Collection and Disposal		Nil
17543	Garbage and Refuse Collection and Disposal		Nil
17550	Public Health and Welfare Services		
17557	Social Welfare		627,000
17560	Environmental Development Services		
17561	Planning		35,000
17562	Community Development(Main Street Program)		6,000
17563	Industrial Commission		0
17564	Natural Resources (i.e. Weed Control)		Nil
17570	Recreation and Cultural Services		
17571	Recreation		11,000
17572	Regional Library		0
17573	Heritage Properties		Nil
17580	Fiscal Services		
	DEBT CHARGES		
17581	Sewers and Drains		Nil
17582	Street Paving, Curbs and Gutters		Nil
17583	Schools		Nil
17584	Public Hospitals		Nil
17585	Correctional Institutions		Nil
		Subtotal	705,000
17600	PROVINCIAL AGENCY - LIQUOR COMMISSION		
17623	re Prisoners Board	Subtotal	Nil
		TOTAL	705,000

18000 CONDITIONAL TRANSFERS FROM OTHER LOCAL GOVERNMENTS

18781 District School Board re Debt Charges

These transfers relate to payment of debt charges to member municipalities by three boards that were amalgamated prior to the establishment of the new District School Boards. The former School Board in Halifax County was not amalgamated, and no such transfers apply to the Study Area.

There is no revenue from this source.

18000 CONDITIONAL TRANSFERS FROM OTHER LOCAL GOVERNMENTS

Schedule 1-8

		1980 Estimate
18781	District School Board re Debt Charges	Nil
18990	Other (Specify .....)	Nil
	TOTAL	0

19000 OTHER TRANSFERS, COLLECTIONS FOR OTHER GOVERNMENTS

This account provides for transfers from revenue fund reserves or accumulated surplus, usually used to smooth changes in tax rates from year to year.

Also included are amounts collected by a municipal unit and subsequently transferred to the agency on whose behalf the revenue was collected.

A new municipal unit would not have accumulated reserves at the beginning of its first year of operation nor is it likely to carry out collections on behalf of other units or agencies. No revenue is shown.

19000 OTHER TRANSFERS, COLLECTION FOR OTHER GOVERNMENTS

19100	TRANSFERS FROM VALUATION ALLOWANCES AND EQUITY		
19110	Valuation Allowances		Nil
19120	Surplus of Prior Years		Nil
19190	Other		Nil
		Subtotal	0
19200	TRANSFERS FROM OTHER FUNDS		Nil
19300	TRANSFERS FROM OWN AGENCIES		Nil
19800	COLLECTIONS FOR OTHER GOVERNMENTS		Nil
19900	OTHER		Nil
		TOTAL	0

EXPENDITURES

EXPENDITURES

21000 GENERAL GOVERNMENT SERVICES

21100 Legislative

This category includes the legislative expenses for the mayor and council. The Department of Municipal Affairs suggests a seven member council as a reasonable size during a new unit's initial years of operation. This is the minimum size required by the Towns Act. To calculate the stipends and expenses for the mayor and councillors, an average was taken from those paid in four municipal units which also have a part-time mayor, and have a population which is close to that of Eastern Passage. The four units are Amherst, Bedford, New Glasgow and Yarmouth. The stipend for the Mayor would be $13,000, for the Deputy Mayor, $7000, for the Councillors, $6500, and $34,000 would be allocated for expenses, mileage, meeting fees, conferences, travel, etc.

21200 General Administrative

21210 Administrative

The model is based on a start up administrative staff of eight. Included is a Chief Administrative Officer, Deputy Clerk, two secretaries/clerk typists, an accountant and an assistant accountant, a computer operator and a programmer/analyst. Salaries ($254,250) were based on the average for Bedford for 1988, taken from the A.M.A. Salary Survey, where available. Benefits were calculated at 13% of the salaries. It was indicated that it would be unlikely that the town would have a lawyer on staff. The cost allocated for legal fees is $84,267 which is the amount which was expended by Bedford for outside counsel for 1988.

Also included in this account is $95,500 to cover lease costs as the model assumes the new municipal unit initially will lease space for its general administrative offices, Council chamber, Council office, transportation and public works offices, building inspection and planning and development office, and social services office. It is assumed that the recreation department will remain in its present offices at South East Passage School, and the costs in respect to this space have been included with the other costs for recreation.

The square footage was determined by using the Government of Nova Scotia Management Manual's space per employee ratios. A boardroom/council chamber, two meeting rooms, filing and drafting space plus a 15% factor for circulation were also included. The lease cost is based on 5,750 square feet at $14 per square foot. The $14 was the rate given by Kiel Developments for space in the Sandpiper Mall. The cost for leasehold improvements ($150,000 or approximately $3 per square foot) has been capitalized over ten years, based on the assumption that the town would sign a ten year lease. Lease cost calculations are shown in Appendix 8. There is no actual space available in the Sandpiper Mall at present, and it is not generally used as office space. However, the working group used this amount as an good estimate. If the town should decide to use the South East Passage School for its offices then there would be renovation costs. If there is office space in the new elementary school/community centre which may be built, then there would also be costs involved. If it would be necessary for the town to rent space in an existing office tower, the rent would probably be considerably higher than $14 per square foot, and if the office would be outside the town boundaries, the town would be required to pay business occupancy tax to the municipality where the office is located.

21220 Financial Management

This account includes audit costs. The actual audit costs for Bedford for 1988 was used. Bedford has highly trained administrative staff resulting in low audit fees. It is the Department's opinion that it would benefit a new municipal unit to have this level of expertise on staff. The experience of units which have attracted highly skilled individuals is a substantial reduction in cost for external audits.

21240 Taxation

Administration, tax billings and tax rebates were estimated on the basis of comparable expenditures in New Waterford and Bedford.

21290 Other General Administrative Services

The amount shown includes telephone system, office supplies, rental equipment, advertising, professional dues, office maintenance and miscellaneous costs for those departments where it is not included in the departmental budget. Expenditures were based on Bedford's actual costs for 1988, as staff numbers are within one or two of that estimated for Eastern Passage.

21910 Elections

Prior to its effective date of incorporation the Study Area would be required to hold a municipal election. The model assumes that this expenditure would be recovered during a new unit's first year of operation.

The amount shown reflects the average cost for the 1988 general municipal election for New Waterford, Bedford and North Sydney.

21920 Conventions

This account includes conference and training costs for staff and council based on Bedford's 1988 actual costs as these seemed to be very reasonable.

21940 Intergovernmental Relations

This account represents the dues which would have been paid to the Union of Nova Scotia Municipalities for membership in 1988. The fee was $.17 per capita for a unit of this size.

21930 General Accident, Damage, Claims and Public Liability Insurance

There are so many variables that affect insurance premiums for municipal units that a comparison among premiums paid by units is very difficult. The amount included is the average of the cost paid by Bedford in 1986, 1987 and 1988.

21950 Grants to Organizations

The amount shown is based on one percent of the Study Area's projected tax levy, the maximum allowed under the Towns Act.

21000 GENERAL GOVERNMENT SERVICES

Schedule 2-1

			1988 Estimate
21100	LEGISLATIVE		
21110	Mayor or Warden		13,000
21130	Council		39,000
21190	Other Legislative Services		34,000
		Subtotal	86,000
21200	GENERAL ADMINISTRATIVE		
21210	Administrative		434,000
21220	Financial Management		5,000
21240	Taxation(Includes #21241-21243)		28,000
21241	Administration		
21242	Tax Billing		
21243	Tax Rebates on Cancellations		
	Reduced Taxes (Widows, etc.)		
	Reduced Taxes (Section 25[A])		
21244	Maintenance of Property Acquired for Taxes		Nil
21245	Losses on Sale of Property Acquired for Taxes		Nil
21246	Allowance for Losses on Appeals (Budget account only)		Nil
21247	Full Taxes re--Special Tax Agreements or Legislation (Budget account only)		Nil
21249	Other Taxation		Nil
21250	Common Services		Nil
21290	Other General Administrative Services		51,000
		Subtotal	518,000
21900	OTHER GENERAL GOVERNMENT SERVICES		
21910	Elections, Plebiscites and Ratepayers' Meetings		16,000
21920	Conventions and Delegations		8,000
21930	General Accident & Damage Claims & Public Liability Insurance		48,000
21940	Intergovernmental Relations		Nil
21950	Grants to Organizations and Individuals		58,000
21990	Other General Services		1,000
		Subtotal	131,000
		TOTAL	735,000

22000 PROTECTIVE SERVICES

22100 Police Protection

Cost estimates shown for police protection are based on the establishment and maintenance of a local municipal police force serving the Study Area.

Expenditures have been prepared by the Department of Municipal Affairs using the costs for policing services for comparable municipal units in the Province. Details of the Department's analysis are set out in Appendix 10.

The analysis in Appendix 10 also includes the cost to the Study Area should it enter into a direct contract with the RCMP. Costs were developed for comparative purposes only and any agreement on a contract would have to be negotiated directly with the RCMP.

Costs which might be incurred by the Study Area should it contract for policing with Dartmouth, are also included in Appendix 10 and are only for the purposes of comparison using very broad assumptions. These costs should not be construed as a presumption on the part of Municipal Affairs that the City of Dartmouth would, in fact, entertain a contract with the Study Area.

It should also be noted that the urban units in the Metro Area now cost share in a computer system called RAPID. Should the Study Area have its own police force and decide to participate in the RAPID system, this would add to the estimates shown.

22000 PROTECTIVE SERVICES

Schedule 2-2

			1988 Estimate
22100	POLICE PROTECTION		
22110	Police Commission		Nil
22120	Administration		103,000
22130	Crime Investigation Prevention and Protective Services		539,000
22140	Traffic Activities		14,000
22150	Training		6,000
22160	Police Stations and Buildings		72,000
22170	Police Automotive Equipment		24,000
22180	Detention and Custody of Prisoners		6,000
22190	Other(Uniforms & Personal Equip.,Small Equip.,Services-Crown Prosecuter)		35,000
		Subtotal	799,000
222000	LAW ENFORCEMENT		
22210	Administration		Nil
22220	Magistrate's Court		Nil
22230	County Court		Nil
22240	Family and Juvenile Courts		Nil
22250	Municipal Courts		Nil
22260	Prosecuting Attorney		Nil
22270	Coroners		Nil
22280	Witnesses, Jurors and Interpreters		Nil
22290	Other		Nil
		Subtotal	0
22300	CORRECTIONS		
22310	Jails		Nil
22330	Juvenile Detention Homes		Nil
22340	Training Schools		Nil
22360	Other		Nil
		Subtotal	0

22400 Fire Protection

Fire protection costs relating to the Study Area are recovered by an area rate levied against the ratepayers. The amounts shown are taken from Halifax County's 1988 financial statements, and an analysis of these is shown in Appendix 11.

Debt charges related to fire protection are included under Fiscal Services account #28132.

22450 Water Supply and Hydrants

The amount shown is based on the Study Area's proportionate share of the 1988 hydrant costs of the City of Dartmouth Water Utility, and this is calculated using the hydrant population as shown in Appendix 12.

22500 Emergency Measures

No amount is included under this account as it was indicated that an Emergency Measures Organization would probably not be a priority with the new municipal unit.

22900 Other

22920 Building Inspection

Building inspection and related administrative costs were estimated by Halifax County's Department of Planning and Development given the general level of building activity within the Study Area.

The amount shown reflects expenditures related to one building inspector and one property inspector/enforcement officer. Salaries and benefits included in the estimate as based on those paid by Halifax County. Support staff and general office costs would be shared with the Planning Division and have been included in the calculations under account #26000.

For detail, see Appendix 13.

22930 Animal and Pest Control

The amount shown under this account is the amount spent by Bedford for animal and pest control in 1988.

Schedule 2-2

			1988 Estimate
22400	FIRE PROTECTION		
22410	Administration		0
22420	Fire Fighting Force		104,000
22430	Fire Alarm systems		30,000
22440	Fire Investigations and Prevention		Nil
22450	Water Supply and Hydrants		160,000
22460	Training		Nil
22470	Fire Stations and Buildings		41,000
22480	Fire Fighting Equipment		31,000
22490	Other		0
		Subtotal	366,000
22500	EMERGENCY MEASURES	Subtotal	0
22900	OTHER		
22910	Consumer Investigation & Borrower's Protection		Nil
22920	Protective Inspection(Building Inspection)		52,000
22930	Animal and Pest Control		29,000
22940	Registry Office		Nil
22990	Other		Nil
		Subtotal	81,000
		TOTAL	1,246,000

23000 TRANSPORTATION SERVICES

The transportation expenditures outlined in the model cover two major areas: common services and road transport.

Common services includes those expenditures which would be difficult to allocate to specific functional programs. Included here are the overall administrative expenditures related to transportation and the capital, operating, and maintenance expenditures on general public works equipment.

Road transport includes administrative expenditures relating to road transport facilities as well as those of parking authorities and traffic consultants. Also, the various engineering aspects, traffic aids and controls, and all phases of construction, operation and maintenance of transport facilities are charges proper to this area. Grade crossing eliminations and sidewalks comprise part of this functional program, as do street cleaning and flushing, which includes dust prevention, and the removal of storm debris, leaves and other deposits. Storm sewers, where separate from sanitary sewers, are also included in this area.

Transportation services are, at present, provided to the Study Area by the Provincial Department of Transportation. Because the model assumes the Study Area is an incorporated urban unit it was necessary to develop an estimate of costs for a new urban unit with responsibility for transportation services.

In structuring a budget for the Study Area the first step was to develop an appropriate transportation division, more generally referred to as engineering and public works department, for a new municipal unit with the Study Area's characteristics.

Based on the previous Sackville Study and information from municipal units of a similar size, the Department of Municipal Affairs has developed staffing, equipment and overhead expenditures related to providing municipal transportation services in the Study Area.

The model assumes a staff complement of 16. This includes a Director of Public Works and Engineering, an engineer, an engineering technician, an operations manager, a works technician, a works foreman, a secretary and nine labourers. Salaries and benefits are based on the costs in Bedford cross checked with other municipal units for reasonableness.

Equipment requirements as listed in Appendix 14 and were developed from the Sackville Study and compared with that used in Bedford. It should be noted that the cost of purchasing equipment is included in the Study Area's start up capital requirements rather than being shown as an operating expense.

For certain expenditures actual costs were extracted from Halifax County's financial statements and area rate books. These include sidewalk maintenance and snow removal, street lighting, and storm drainage.

Amounts shown under Transportation Services were cross checked on a per kilometre basis with a number of municipal units for reasonableness.

23000 TRANSPORTATION SERVICES

Schedule 2-3

			1988 Estimate
23100	COMMON SERVICES		
23110	Administration(Includes #23210, #23220)		392,000
23120	Engineering Services		0
23130	General Equipment		NIl
23140	Small Tools and Equipment		4,000
23150	Workshops, Yards and Other Buildings		32,000
23160	Research, Planning and Design		Nil
23180	Liability Insurance(See #21930)		Nil
23190	Other(Contingencies)		6,000
		Subtotal	434,000
23200	ROAD TRANSPORT		
23210	Administration(included under #23110)		Nil
23220	Engineering(included under #23120)		Nil
23230	Roads and Streets(includes sidewalks, storm drainage)		484,000
23240	Bridges, Subways, Tunnels Grade Inspections and Ferries		0
23250	Street Lighting		79,000
23260	Traffic Services		7,000
23270	Parking		Nil
23280	Motor Vehicle Inspections		Nil
23290	Other Road Transport		Nil
		Subtotal	570,000
23300	AIR TRANSPORT		
23310	Administration		Nil
23320	Other		Nil
		Subtotal	0
23400	WATER TRANSPORT		
23410	Administration		Nil
23420	Docks and Port Facilities		Nil
23430	Ship Canals and Channels		Nil
23490	Other		Nil
		Subtotal	0
23500	PUBLIC TRANSIT		
23510	Research, Planning and Design(Included under #28430)		
23590	Other		Nil
		Subtotal	0
23900	OTHER TRANSPORTATION	Subtotal	
		TOTAL	1,004,000

24000 ENVIRONMENTAL HEALTH SERVICES

24200 Sewage Collection and Disposal

24220 Sewage Collection Systems

From the 1988 financial statements, the County had a net expenditure of $1.3 million in operating and debt servicing costs for collector and trunk systems in its metro communities. Eastern Passage's share of these costs was developed by County staff using the Study Area's proportion of the length of sewer lines in the serviced areas. These areas include Lakeside, Timberlea, Sackville, Cole Harbour, Colby Village, Forest hills, Westphal, and Eastern Passage.

The amount shown in this account relates to operating costs only. Debt servicing costs are included in account #28131 under fiscal services. For debt amount, see Appendix 15.

24240 Sewage Treatment and Disposal

From the 1988 financial statements, the County had a net expenditure of close to $800,000 in operating and debt servicing costs for treatment plant in Eastern Passage. The plant services Eastern Passage itself and the surrounding communities, including Cole Harbour, Forest Hills, Colby Village, and Westphal.

Eastern Passage's share of these costs was developed by County staff using the Study Area's proportion of the length of sewer lines in the serviced areas. The preference would have been to allocate the costs using the Study Area's proportion of measured flows to the treatment plant. However, the treatment plant only measures total volume from the serviced areas.

On the basis of the figures from County staff, the costs allocated to the Study Area work out to about 27 percent of treatment plant costs. While population would not be an adequate basis for splitting the costs either, it should be noted that the population in the Study Area is also about 27 percent of the total population by districts of the serviced communities.

The amount shown in this account relates to operating costs only. Debt servicing costs are included in account #28131 under fiscal services. For debt amount, see Appendix 15.

24320 Garbage and Waste Collection

The costs for garbage and waste collection are based on a private collection contract and the Study Area's share of advertising and administration costs based on tonnage, as calculated in Appendix 16.

Disposal costs are in Account #28440.

24590 Other

No amount is shown here because related costs are for garbage collection advertising, and these are included in Account #24320.

24000 ENVIRONMENTAL HEALTH SERVICES

Schedule 2-4

			1988 Estimate
24200	SEWAGE COLLECTION AND DISPOSAL		
24210	Administration(under #23110)		Nil
24220	Sewage Collection Systems		155,000
24230	Sewage Lift Stations		Nil
24240	Sewage Treatment and Disposal(Debt in fiscal services)		41,000
24250	Comfort Stations		Nil
24290	Other		Nil
		Subtotal	196,000
24300	GARBAGE AND WASTE COLLECTION AND DISPOSAL		
24310	Administration		Nil
24320	Garbage and Waste Collection		129,000
24330	Municipal Dumps (Landfill - see account # 28440)		Nil
24340	Incinerators		Nil
24590	Other(Parkland - garbage collection)		0
		Subtotal	129,000
24900	OTHER ENVIRONMENTAL HEALTH		
24910	Administration		Nil
24920	Smoke Abatement		Nil
24930	Other Air Pollution		Nil
24940	Water Pollution Control		Nil
24950	Other Pollution Control		Nil
24960	Noise Abatement		Nil
24990	Other Environmental Health		Nil
		Subtotal	0
		TOTAL	325,000

25000 PUBLIC HEALTH AND WELFARE SERVICES

25100 Public Health

The provincial government assumes the major share of public health costs through its health units.

25700 Social Services

In developing the model it was assumed that the Study Area, if incorporated, would continue to provide the same range and level of social services as provided by Halifax County Municipality.

The amounts developed for the cost for administration of social services were developed by the Halifax County Municipality's Department of Social Services, as outlined in Appendix 7 and reflect the costs and excess costs based on those actually incurred for District 6 in 1988 or a percentage of total costs based upon the percentage of the 1988 caseload located in District 6.

As the letter in Appendix 7 indicates, the 1988 figures will probably be low in terms of costs for the present and future years. The cost of the Coordinated Home Care Program which was commenced in the fall of 1989 is not included. Large increases in caseloads and costs are anticipated. Likewise while a percentage of the cost of the Employment Resource Centre was attributed to Eastern Passage, it does not represent the cost of running an equivalent program. Social Services is a volatile expenditure area which is subject to changes based on a number of economic and social factors which may cause costs in subsequent years to diverge substantially from those shown in the analysis. As well, a smaller municipality will not be able to take advantage of the economies of scale.

25710 General Administration

It is assumed that the Study Area would have its own Social Services administration with a Director, three Social Workers, (one to do general assistance work, one to do the Homemaker program and one to work in home care, eligibility review, apprehension and tax relief) and one secretary/receptionist. Mr. Stropie, from the County, estimates that a staff of five would be necessary to provide the necessary services. As the administrative costs built into the estimates provided by the County probably only provide for half this number, the figures were adjusted by adding half the amount of the estimate of salaries for five staff ($76,500) to the amount indicated in Mr. Stropie's letter as designated for administration. This amount has also been reflected in the revenues under account #17557 as being cost-shared by the provincial government at a 50% level.

25720 Social Welfare Assistance

The amount shown is based on Halifax County Municipality's 1988 costs for General Assistance, the Community Based Options program and the Employment Resource Program, based on actual caseloads for District 6. Upon the recommendation of Mr. Stropie, who put together the figures for Halifax County Municipality, we increased the amount for General Assistance by 10% to take into account economies of scale and the possibility that there will be less emphasis on the Employment Resource Program. This increase is also reflected in the revenues at a level of cost-sharing of 50%, under account #17557.

25730 Social Welfare Services

Children's Aid Grant: A levy of $.48 per capita per resident of Halifax County Municipality was paid to Family and Children's Services in 1988 and the Municipality's share of administration costs for child protection services. This amount was multiplied by the population estimate for District 6. In addition, the municipality is fully responsible for apprehension costs and maintenance costs for children in care. There were no apprehension costs in 1988, but ongoing maintenance costs were $6,205.00.

25790 Other Social Welfare

This section includes expenditures for transition houses/shelters, grants to Social Service Agencies, the Homemaker Program, Senior Citizens Housing and Homes for Special Care. The major item in this section is the Homes for Special Care costs. The costs for Homes for Special Care was based on the 38.6% share paid by the Municipality in 1988. This includes a capital component which the new unit would assume. In 1988, the Municipality paid 41.5% of the costs of the Homemaker Program. As of 1989 and the commencement of the Coordinated Home Care Program, full cost sharing (25% municipal, 75% federal and provincial) was instituted. Grants were made to the Community Service Board for the Deaf and other such organizations. The share attributed to District 6 is based on the percentage of population in District 6.

Halifax County Municipality also paid a portion of the cost of senior citizen and other subsidized housing. There are 35 senior citizen housing units and 2 family units in District 6, for which a new unit would be fully responsible.

25000 PUBLIC HEALTH AND WELFARE SERVICES

Schedule 2-5

			1988 Estimate
25100	PUBLIC HEALTH		Nil
25200	MEDICAL CARE		Nil
25300	HOSPITAL CARE		Nil
25500	OTHER HEALTH		Nil
25700	SOCIAL WELFARE		
25710	Administration		158,000
25720	Social Welfare Assistance		475,000
25730	Social Welfare Services		13,000
25790	Other Social Welfare(Homes for Special Care)		361,000
		Subtotal	1,007,000
		TOTAL	1,007,000

26000 ENVIRONMENTAL DEVELOPMENT SERVICES

26100 Environmental Planning and Zoning

The amounts shown are based on estimates prepared by Halifax County Municipality's Department of Planning and Development as set out in Appendix 13.

Estimates include salaries, benefits and related administrative overhead for a staff of six. The number of staff might be reduced by combining the position of development officer and planner, which could result in a saving of $20,000.

26200 Community Development

26290 Other Community Development (Mainstreet Program)

The analysis assumes that the Study Area, if incorporated, would participate in the Mainstreet Program. In 1988, the area participated in the Village Square Program.

The amount shown is based on the $6000 claimed in respect to the Village Square Program in 1988. Actual costs to run the program could be much higher, however since this will probably not be a priority in the first year of operation, only $6000 is included under this account.

26600 Industrial Parks and Commissions

Figures and information in respect to the expenses which could be involved for an industrial park and commission were obtained from Mr. Lorne Denny, Executive Director of the Halifax County Industrial Commission. Mr. Denny estimated that the cost to operate an industrial commission would be $150,000 for the first year of operation and $125,000 for the second year. This estimate includes $35,000 for the salary of an industrial promotions officer, $20,000 for an executive secretary, travel expenses, promotion expenses including brochure and advertising costs, rent, office supplies and office equipment.

In respect to expenses for developing the industrial park, Mr. Denny identified two options which relate to the only area in District 6 which is zoned for industrial development. Coastal Acres is a 40 acre area designated for the Eastern Passage industrial park. The land is not serviced and Mr. Denny estimates it would cost about $40,000 per acre to service the park with roads, water and sewer services. Septic systems are not an option. To service the whole park would cost about $1.6 million. To service the nine lots across the front would cost about $800,000. Mr. Denny mentioned that $750,000 has been requested for developing sewers and storm sewers in the area in 1990. The second option would be to develop an incubator mall on the site. About three years ago, a consultant's study suggested this area for incubator mall development. It is scheduled to be developed in 1991, if the money is spent on the capital works in 1990. For an incubator mall of about 36,000 square feet, Mr. Denny estimates it would cost about $2 million. This would include the cost of the building, services, and 3 acres of land.

It was indicated that developing the industrial park at this time would not be top priority considering the costs involved and requested that expenses for this item not be included in the study, therefore there is no amount listed in this account.

26000 ENVIRONMENTAL DEVELOPMENT SERVICES

Schedule 2-6

			1988 Estimate
26100	ENVIRONMENTAL PLANNING AND ZONING		
26110	Planning Boards		Nil
26120	Administration		21,000
26130	Research and Planning		54,000
26190	Other Planning and Zoning		93,000
		Subtotal	168,000
26200	COMMUNITY DEVELOPMENT		
26210	Administration		
26220	General Land Assembly		Nil
26230	Urban Renewal Projects		Nil
26240	Beautification and Land Rehabilitation		Nil
26290	Other Community Development(Main Street Program)		6,000
		Subtotal	6,000
26300	HOUSING		
26310	Administration		Nil
26340	Operation		Nil
26390	Other		Nil
		Subtotal	0
26400	NATURAL RESOURCES DEVELOPMENT		
26420	Agriculture		Nil
26430	Water Resources and Conservation		Nil
26490	Other Natural Resources Development		Nil
		Subtotal	0
26500	REGIONAL DEVELOPMENT COMMISSIONS		
26510	Administration		Nil
26520	Assistance to Regional Development		Nil
26590	Other		Nil
		Subtotal	0
26600	INDUSTRIAL PARKS AND COMMISSIONS		
26610	Administration		0
26620	Assistance to Industrial Development		Nil
26690	Other		Nil
		Subtotal	0
26900	OTHER ENVIRONMENTAL DEVELOPMENT SERVICES		
26910	Tourism		Nil
26920	Public Receptions		Nil
26930	Markets		Nil
26990	Other Environmental Development Services		Nil
			Nil
		Subtotal	0
		TOTAL	174,000

27000 RECREATION AND CULTURAL SERVICES

27100 Recreation Facilities

Municipal expenditures for recreation and culture include community centres, swimming pools, skating rinks, and parks and playgrounds.

Amounts shown are based on information provided by the Halifax County Municipality's Recreation Department and include expenditures for recreation services based on 1988 levels provided by Municipality in District 6.

The calculations include four full-time staff members, and one part-time staff member as well as seasonal instructors for recreation programs and one full-time worker and three part-time workers for parks and grounds maintenance. Sports and park equipment and parks maintenance equipment will also be needed. The costs for sports equipment and parks and playground equipment have been included as administrative costs. The costs for maintenance vehicles and equipment have been capitalized over five years and are included under account #28131, as indicated in Appendix 15. The costs for all equipment are estimates obtained from the Recreation Department. The costs for the community centre refer to the costs associated with running the South East Passage School Recreation Centre in 1988.

The revenues received from membership fees, program fees, etc. have been included under revenues in account # 14700.

It was mentioned that there is interest in the community in building a rink and a soccer field, expanding the tot lots and possibly building a swimming pool. These items have not been costed and could increase recreation costs dramatically. It was also mentioned that there is a new elementary school which is being built in the area at which there may be facilities for community use for recreation purposes. Mr. Nelson Ellsworth of the Nova Scotia Sport and Recreation Commission confirmed that this is under negotiation. Approval is being sought to levy an area rate in District 6, and County Council has been asked to approve funding for the project. If the money is approved, then the design of the facility will be discussed and a joint use agreement will be negotiated. At present it is not possible to predict whether the project will go ahead, what form it will take and what costs it would mean for the community.

27250 Libraries

As there is no branch library located in the Study Area, no amount is included under this account.

27000 RECREATION AND CULTURAL SERVICES

Schedule 2-7

			1988 Estimate
27100	RECREATION FACILITIES		
27110	Administration		212,000
27120	Community Centres and Hall		26,000
27130	Swimming Pools, Beaches, Marinas and Fitness		Nil
27150	Skating Rinks and Arenas		Nil
27160	Amusement Parks, Exhibitions and Fairs		1,000
27170	Stadiums		Nil
27180	Parks and Playgrounds		124,000
27190	Other Recreation Facilities		Nil
		Subtotal	363,000
27200	CULTURAL BUILDINGS AND FACILITIES		
27210	Administration		Nil
27230	Historic Sites		Nil
27240	Art Galleries, Museums, Planetariums		Nil
27250	Libraries(Local Branch)		0
27260	Theatre, Concert halls, Auditoriums		Nil
27270	Heritage Properties		Nil
27290	Other Cultural Buildings and Facilities		Nil
		Subtotal	0
27500	OTHER RECREATION AND CULTURAL SERVICES	Subtotal	Nil
		TOTAL	363,000

28000 FISCAL SERVICES

When a municipal unit wishes to borrow for a capital purpose, it obtains a temporary borrowing resolution (a guarantee from the government that it has approved the borrowing) which the municipal unit can present to government approved lenders.

Based on this approval the municipality purchases the assets, finalizes the costs and obtains an issuing resolution to convert all the short term funding into long term funding, in the form of a debenture. The debentures are handled by the Municipal Finance Corporation which raises money in the market place to lend to the municipalities.

The Municipal Finance Corporation has established a Capital Fund Reserve which is actually a working capital reserve. The corporation acts as an intermediary between the investment companies and the municipalities until all required debenture documents are approved by the Department of Municipal Affairs.

The Corporation charges a nominal administrative fee based on the value of the debenture issued, to provide this service. This rate is added to the market value.

Once the short term financing has been converted to long term financing, the serial bond method is recommended by the Department of Municipal Affairs to determine the annual payments for principal and interest. Under this method the capital is amortized over the expected life of the item and the interest is computed on the declining outstanding balance. The capital payment together with the interest payments equals the total charge. The interest can be computed either on a semi-annual or an annual basis; the payments decrease each year as the capital is repaid.

28110 Interest on Short Term Borrowing

The Department of Municipal Affairs recognizes that it is normal practice for a municipal unit to use short term borrowings to bridge the period between capital expenditure and the marketing of debentures for the municipal unit.

However, to give a more realistic impact of start up capital costs that would be incurred by the Study Area, the model assumes that all capital requirements will be financed through immediate long term borrowings requiring repayment of both principal and interest.

28121 Debenture Interest and
28131 Debenture Principal

The annual payments required to repay both principal and interest on outstanding debts incurred by Halifax County and attributed to Eastern Passage would become the responsibility of the Study Area upon incorporation. Included is the outstanding debt related to transit, sidewalks, fire department, and the Study Area's debt portion of sewer collector and trunk systems and the treatment plant in Eastern Passage.

It is assumed that the new municipal unit would fund the office equipment, computer system, police cars, communication system, salt dome, transportation vehicles and equipment, and recreation vehicles and equipment.

It is also assumed that repayment would be on the basis of serial debentures, with the interest calculated at a rate of 11 percent which was the prevailing rate in 1988.

The amount shown in account #28131 includes both principal and interest payments on existing and new debt attributed to the Study Area. A schedule showing the calculation detail and the suggested repayment period is in Appendix 15.

Municipal units usually attempt to finance small amounts (less than $50,000) through capital out of revenue or their reserves.

It should also be noted that the Study Area, as an incorporated municipal unit, would receive an annual unconditional capital grant from the Department of Municipal Affairs under the provisions of the Municipal Grants Act.

Based on the capital grant formula, the Study Area as a Class III urban unit would have received a grant of approximately $37,000 in 1988.

At the discretion of Council, the grant may either be applied against current capital expenditures; outstanding capital debt; or set aside in a special reserve account for future capital purposes.

For purposes of this study, the Study Area's capital grant has been used to reduce current capital expenditures included in Account #28131, as shown in Appendix 15.

28132 Term Loan Principal

Any payment associated with this account would be included in account #28131

28200 Transfers to Own Reserves, Funds and Agencies

28211 Uncollectible Taxes

The Department of Municipal Affairs Manual of Accounting and Reporting Practices requires each municipal unit to include in its operating budget, an amount equivalent to the previous year's uncollected taxes and rates.

The amount shown is an average estimated by Halifax County Finance Department for the years 1986-1988 as shown in Appendix 4.

28224 General Capital Fund

The General Capital Fund is actually for capital out of revenue requirements where the municipal unit establishes a fund for capital purposes to be used within the fiscal reporting period. An amount has not been allocated in the first year. This fund will vary according to Council's decision.

28000 FISCAL SERVICES (Continued)

28230 Own Agencies

Legislation may require that a municipal unit contribute toward all or part of the deficit of certain municipal entities established for the purpose of providing a specific service within its boundaries.

Municipal units may also be authorized by legislation to levy rates on behalf of municipal entities created by them and to transfer any collected funds to the body for its own purposes.

28231 Deficit or Levy for Water Utility

For purposes of this analysis, it is assumed that the Study Area will contract with the Dartmouth Water Utility for both water and the provision and maintenance of all related infrastructure on a cost recovery basis.

The Dartmouth water utility is in healthy financial condition and no deficit is anticipated.

28232 Deficit or Levy for Electric Utility

This only applies to municipal electric utilities. The Study Area is served by N.S.P.C.

28233 Deficit or Levy for Housing Corporation

The analysis has not assumed the establishment of a Municipal Housing Corporation in the Study Area.

28235 Levy for Business Improvements District

There is not at present a Business Improvement District within the Study Area.

28236 Deficit or Levy for Industrial Commission

The analysis does not contemplate an Industrial Commission deficit.

28300/28400 Unconditional and Conditional Transfers to Other Governments and Agencies

Costs of operating a number of inter-municipal agencies are shared among the Metro Area municipal units on the basis of uniform assessment: Halifax County Joint Expenditure Board; Halifax Court House Commission; Halifax Port Commission; Metropolitan Authority's general administrative costs; MAPC; and Halifax Port Commission.

Prior to provincial takeover on April 1, 1986 Metro units also used uniform assessment to calculate their respective share of the cost of operating the Halifax County Correctional Centre.

Where some formula other than uniform assessment is used to calculate each municipal unit's cost, it is noted in the text below.

The uniform assessment percent split between the Study Area and the remainder of Halifax County, and the calculation used to determine the Study Area's contribution toward these cost shared agencies is shown in Appendix 18.

Although the analysis assumes that the Study Area would participate in the cost sharing of all inter-municipal services and agencies in the Metro area, it should be noted that membership in the Metropolitan Authority and MAPC is not automatic and would require the approval of the existing municipal participants: the Cities of Halifax and Dartmouth, the Town of Bedford and the Municipality of the County of Halifax.

28320 Joint Expenditure Board

The amount shown is the Study Area's calculated share of actual Joint Expenditure Board costs related to administration of justice including jury fees, court stenographers, and operations of the County Sheriff.

The cost sharing required is on the basis of uniform assessment. See Appendix 18.

28421 Correctional Services

The Province assumed full responsibility for the administration of all correctional facilities effective April 1, 1986. A municipal contribution was a component of the takeover.

The amount shown would have been the Study Area's contribution to corrections in 1988, with the calculation done using a formula that takes into account its uniform assessment and dwelling units.

28422 Halifax Court House Commission

The amount shown is the Study Area's calculated share of actual 1988 costs incurred in the operation and maintenance of the Court House.

The cost sharing required is on the basis of uniform assessment. See Appendix 18.

28430 Transportation Services (Metropolitan Authority)

The cost of providing transit service to the metropolitan area is shared among the members of the Metropolitan Authority on the basis of route mileage within each municipal unit.

The amount shown reflects actual 1988 costs related to transit service within the Study Area provided to the Department by Halifax County in consultation with the Metropolitan Authority.

Calculation detail is in Appendix 16.

28440 Environmental Health (Metro Authority)

This expenditure relates to the operation of the landfill site and transfer stations by the Metropolitan Authority and is shared among the member units on the basis of tonnage. These costs were provided by the County of Halifax based on actual tonnage generated by the Study Area in 1988.

Calculation detail is in Appendix 16.

28453 Per Capita Hospital Tax

Under Section 6 of the Hospitals Act, every municipal unit must pay a per capita hospital tax determined as follows:

(a) 50 cents per capita for the first 1,000 of its population
(b) One dollar per capita for the remainder of the population.

The calculation must be based on the most recent census which for purposes of the model's base year is 1986 (7,300).

28461 Metropolitan Area Planning Commission (MAPC)

The amount shown is the Study Area's calculated share of 1988 operating costs incurred by MAPC.

28472 Regional Library

As an incorporated municipal unit the Study Area will cost share with Halifax County and Bedford in the operation of the regional library.

The amount shown was calculated by Mrs. Armstrong at the Provincial Library as the Study Area's contribution based on the new funding formula which came into effect on January 1, 1988. This amount would cover the contribution to regional libraries and the bookmobile service. Costs for 1989 and 1990 have increased considerably from $26,900 in 1988 to $45,400 in 1989 and $82,200 in 1990. This is partly due to the new branch library in Cole Harbour, which opened in October, 1989.

28477 Appropriation to District School Board

One of the basic assumptions made in developing the model was that the Study Area would remain part of the Halifax County-Bedford District School Board and would financially contribute to the Board to assist it in its operations.

A school board's grant from the municipalities it serves is determined by the total uniform assessed value of property in those municipalities and an "education tax rate" established each year by the Province. In 1988, this rate was 37 cents per $100 of uniform assessment.

In addition to the mandatory contribution, municipal units also make a supplementary contribution to cover costs related to programs and services over and above those covered by the mandatory contribution. These costs are shared among the municipal units on the basis of a formula related to student population.

The amount shown is the Study Area's calculated share of actual costs incurred by the Halifax County-District School Board in 1988. Calculation detail is in Appendix 19.

28490 Halifax Port Commission

The amount shown is the Study Area's calculated share of 1988 Commission costs related to port development and promotional activities.

The cost sharing required is on the basis of uniform assessment. See Appendix 18.

			1988 Estimate
28100	DEBT CHARGES		
28110	Interest on Short-Term Borrowings		
28111	General Operations Interest		Nil
28112	Temporary Financing Interest - Capital Projects		Nil
28113	Interest or Discount On Current Tax Repayments		Nil
28120	Interest On Long-Term Debt		
28121	Debenture Interest(In acct #28131. See text)		0
28122	Term Loan Interest		Nil
28130	Principal Instalments Or Sinking Fund Requirements		
28131	Debenture Principal (Existing and new debt, see text)		685,000
28132	Term Loan Principal		Nil
28133	Sinking Fund Requirement		Nil
28134	Temporary Financing Principal - Capital Projects		Nil
28190	Other Debt Charges		Nil
		Subtotal	685,000
28200	TRANSFERS TO OWN RESERVES, FUNDS AND AGENCIES		
28210	Valuation and Allowances		
28211	Uncollectible Taxes		144,000
28212	Other Doubtful Receivables		Nil
28213	Unresolved Assessment Appeals		Nil
28215	Deficit of Previous Years		Nil
28219	Other		Nil
28220	Other Funds		Nil
28221	Special Reserve Fund - Capital Section		Nil
28222	Special Reserve Fund - Equipment Section		Nil
28223	Special Reserve Fund - Operating Section		Nil
28224	General Capital Fund		Nil
28229	Other		Nil
28230	Own Agencies		Nil
28231	Deficit or Levy for Water Utility		Nil
28232	Deficit or Levy for Electric Utility		Nil
28233	Deficit or Levy for Housing Corporation		Nil
28235	Levy for Business Improvement District		Nil
28236	Deficit or Levy for Industrial Commission		Nil
28239	Other		Nil
28240	Own Agencies (Extraordinary)		Nil
		Subtotal	144,000

			1988 Estimate
28300	UNCONDITIONAL TRANSFERS TO OTHER GOVERNMENTS AND AGENCIES		
28320	Joint Expenditure Board		18,000
28340	Other Local Governments		Nil
		Subtotal	18,000
28400	CONDITIONAL TRANSFERS TO OTHER GOVERNMENTS AND AGENCIES		
28410	General Government Services(Metro Authority Administration)		5,000
28420	Protective Service		Nil
28421	Correctional Services		89,000
28422	Halifax Court House Commission		7,000
28430	Transportation Services(Metro Authority)		144,000
28440	Environmental Health Services(Metro Authority)		75,000
28450	Public Health and Welfare Services		
28453	Per Capita Hospital tax		7,000
28455	Regional Housing Corporation		Nil
28460	Environmental Development Services		
28461	Regional Planning(HAPC)		2,000
28466	Joint or Regional Industrial Commission		Nil
28470	Recreation and Cultural Services and Education		
28472	Regional Library		27,000
28477	Appropriation to District School Board		840,000
28480	Fiscal Services		Nil
28490	Other Services(Halifax Port Commission)		5,000
		Subtotal	1,237,000
28800	TRANSMISSION OF TAXES COLLECTED FOR OTHER GOVERNMENTS		
	(Village and Special Commission Rates)	Subtotal	0
28900	OTHER FISCAL SERVICES		
		TOTAL	2,084,000

29000 EXTRAORDINARY OR SPECIAL ITEMS

Schedule 2-9

		1988 Estimate
29100	EXTRAORDINARY OR SPECIAL REVENUE ITEMS	
29110	Specify	
29120	Specify	
29130	Specify	
29140	Specify	
29150	Specify	
	Revenue Items Subtotal	0
29200	EXTRAORDINARY OR SPECIAL EXPENDITURE ITEMS	
29210	Specify	
29220	Specify	
29230	Specify	
29240	Specify	
29250	Specify	
	Expenditure Items Subtotal	0
	Net Expenditure Items or (Net Revenue Items)	0

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APPENDIX 1

Account #16281 Calculation of Uniform Assessment

Title	Source	Comments	Revenue	Tax Rate	Capitalised Value	Assessment
Taxable Assessment	1987 Asst roll	Dist.6	-	-	-	151,263,925
Plus						
Provincial GIL pty(1987)	DMA GIL files	For Hfx Co	-	-	-	1,113,450
Supported institutions	-	Nil	-	-	-	-
Less						
STA Pty before 79-01-01	-	Nil	-	-	-	-
Taxable water utility	-	Nil	-	-	-	-
Plus Asst/Capitalised value						
COMMERCIAL						
STA before 79-01-01	-	Nil	-	-	-	-
Forest over 50,000 acres	1987 Asst roll	Nil	-	-	-	-
Maritime T&T	DMA-Co files	$375,272 @ 6.38%	23,942	0.0194	1,234,142	-
Federal Gvt GIL						
Mostly CFB Shearwater	DMA GIL files	For Hfx Co	-	-	-	33,598,046
Federal Agencies GIL						
Post Office	DMA GIL files		-	-	-	60,200
Fire Protection	DMA GIL files		-	-	-	-
Provincial agencies GIL						
NS Power Corporation	DMA-Co files	$293,463 @ 7.18%	21,071	0.0194	1,086,116	-
NS Liquor Commission	Hfx Co files		-	-	-	-
Recreational Pty	1987 Asst roll		-	-	-	-
Crown Timber Lands	DMA GIL files	59 acres @ $0.40/acre	24	0.0194	1,216	-
RESIDENTIAL						
STA before 79-01-01		Nil				
Forest under 50,000 acres	1987 Asst roll	@ $0.25/acre		-	-	-
Federal Gvt GIL	DMA GIL files	Incl. resource				24,103,525
Federal Agencies GIL	DMA GIL files	For Hfx Co	-	-	-	-
Provincial agencies GIL	DMA GIL files	For Hfx Co	-	-	-	-
NS Power Corporation	-	Nil	-	-	-	-
NS Liquor Commission	-	Nil	-	-	-	-
Farm acreage--grantable	1987 Asst roll	Nil	-	-	-	-
Prov Farm pty acreage	-	Nil	-	-	-	-
Total					2,321,474	210,139,146
Uniform Assessment						212,460,620

APPENDIX 2

Schedule D
Account #12100
Account #12310 **Grants in Lieu**
1987 & 1988 Assessment Values

	1987 Commercial	1987 Residential	1987 Resource	Total
Federal Government	33,598,046	20,345,063	3,758,462	57,701,571
Canada Post	60,200	-	-	60,200
Provincial Government	25,200	1,088,250	-	1,113,450
Power Corporation Capitalized Share	1,086,116	-	-	1,086,116
Maritime Tel & Tel Capitalized Share	1,234,142	-	-	1,234,142
Total	36,003,704	21,433,313	3,758,462	61,195,479

	1988 Commercial	1988 Residential	1988 Resource	Total
Federal Government	34,947,904	20,345,063	5,304,662	60,497,629
Canada Post	60,200	-	-	60,200
Provincial Government	25,200	1,088,250	-	1,113,450
Power Corporation Capitalized Share	1,086,116	-	-	1,086,116
Maritime Tel & Tel Capitalized Share	1,305,846	-	-	1,305,846
Total	37,325,266	21,433,313	5,304,662	64,063,241

APPENDIX 3

Account #15100 Licenses and Permits

Building Permits	$27,074.00
Prelim Permits	12,398.00
Licenses	1,021.00
Dog Tags	590.00
Tax Certificates	8,039.00
	$49,122.00

APPENDIX 3
(Continued)

COMPARISON OF DOG TAG SALES 1989

DISTRICT	1988 COUNTER	1988 CONSTABLE	TOTAL
1	310.00	2,640.00	2,950.00
2	370.00	2,500.00	2,870.00
3	370.00	5,500.00	5,870.00
4	560.00	9,290.00	9,850.00
5	480.00	140.00	620.00
6	470.00	120.00	590.00 *
7	330.00	3,900.00	4,230.00
8	180.00	1,590.00	1,770.00
9	690.00	8,420.00	9,110.00
10	150.00	6,460.00	6,610.00
11	220.00	4,520.00	4,740.00
12	230.00	2,710.00	2,940.00
13	100.00	3,390.00	3,490.00
14	970.00	11,980.00	12,950.00
15	330.00	3,530.00	3,860.00
16	1,110.00	2,320.00	3,430.00
17	610.00	2,280.00	2,890.00
18	300.00	2,130.00	2,430.00
19	500.00	5,700.00	6,200.00
20	1,070.00	10,240.00	11,310.00
21	540.00	3,160.00	3,700.00
TOTAL	9,890.00	92,520.00	102,410.00

DISTRICT	1989 COUNTER	1989 CONSTABLE	TOTAL
1	420.00	4,150.00	4,570.00
2	480.00	5,220.00	5,700.00
3	540.00	1,510.00	2,050.00
4	780.00	11,280.00	12,060.00
5	1,075.00	2,895.00	3,970.00
6	1,375.00	4,605.00	5,980.00
7	720.00	6,080.00	6,800.00
8	405.00	330.00	735.00
9	915.00	13,390.00	14,305.00
10	370.00	9,115.00	9,485.00
11	640.00	4,495.00	5,135.00
12	505.00	3,885.00	4,390.00
13	510.00	5,280.00	5,790.00
14	435.00	5,475.00	5,910.00
15	445.00	4,860.00	5,305.00
16	1,560.00	6,795.00	8,355.00
17	905.00	5,605.00	6,510.00
18	325.00	7,110.00	7,435.00
19	495.00	4,815.00	5,310.00
20	1,425.00	7,095.00	8,520.00
21	970.00	6,030.00	7,000.00
22	390.00	7,500.00	7,890.00
23	525.00	4,455.00	4,980.00
24	315.00	1,485.00	1,800.00
25	435.00	2,550.00	2,985.00
TOTAL	16,960.00	136,010.00	152,970.00

APPENDIX 3
(Continued)

COUNTY OF HALIFAX 1988 BUDGET

7

		1988 Budget	1988 Actual
OTHER REVENUE - OWN SOURCES			
151 01 020	Licenses	16,000	[illegible]
151 01 060	Dog Tax	110,000	[illegible]
151 01 070	Building Permits	550,000	[illegible]
151 01 080	Tax Certificates	150,000	[illegible]
151 01 090	Development Fee	15,000	[illegible]
		841,000	[illegible]
151 02 010	Fines and Fees	9,000	9,881
151 03 020	Rentals	211,200	212,666
151 05 005	Interest - Shatford Trust	8,000	8,448
151 05 010	Interest-Deposits/Bonds	413,000	474,250
151 05 020	Interest - Street Paving	40,000	34,851
151 05 030	Interest - Sewer Laterals	113,000	120,448
		574,000	637,997
151 06 010	Interest - Tax Arrears	373,000	427,836
151 07 010	Sundry Revenue	123,000	155,778
		2,135,200	2,164,373

April 1/89

APPENDIX 3
(Continued)

Eastern Passage and Cow Bay
(District 6)

Building Permits											
	1987	193									
	1988	166									
	Sept 89	129									
(Est)	Dec 89	172									
Value of Construction			**Residential**		**Commercial**		**Industrial**		**Misc**		
	1987	$13,564,000.00	$9,679,000.00	71.4%	$100,000.00	0.7%	$2,945,000.00	21.7%	$840,000.00	6.2%	
	1988	$7,223,000.00	$5,851,000.00	81.0%	$240,000.00	3.3%	$0.00	0.0%	$1,132,000.00	15.7%	
	Sept 89	$6,751,000.00	$3,367,000.00	49.9%	$190,000.00	2.8%	$0.00	0.0%	$3,194,000.00	47.3%	
(Est)	Dec 89	$8,932,000.00	$4,454,753.96	49.9%	$251,382.02	2.8%	$0.00	0.0%	$4,225,864.02	47.3%	
Building Permit Revenues			**Residential**		**Commercial**		**Industrial**		**Misc**		
	1987	$50,361.00	$35,936.61	71.4%	$371.28	0.7%	$10,936.32	21.7%	$3,118.79	6.2%	
	1988	$27,074.00	$21,931.33	81.0%	$899.59	3.3%	$0.00	0.0%	$4,243.08	15.7%	
	Sept 89	$25,374.00	$12,655.05	49.9%	$714.13	2.8%	$0.00	0.0%	$12,004.82	47.3%	
(Est)	Dec 89	$33,571.41	$16,743.43	49.9%	$944.83	2.8%	$0.00	0.0%	$15,883.14	47.3%	
Preliminary Permit Revenues			(Refunds)								
	1987	$23,082.00	($4,920.00)								
	1988	$12,398.00	($32.00)								
	Sept 89	$7,912.00	($780.00)								
(Est)	Dec 89	$10,468.08	($1,042.57)								
Subdivision Applications											
	1987	89									
	1988	46									
	Aug 89	30									
(Est)	Dec 89	45									
Lots Approved											
	1987	308									
	1988	243									
	Aug 89	71									
(Est)	Dec 89	106									
Development Permits											
	1987	175									
	1988	123									
	May 89	40									
(Est)	Dec 89	94									

APPENDIX 4

Account #15600	**Return on Investments**
Account #15500	**Penalties and Interest on Taxes**
Account #15900	**Miscellaneous Revenues**
Account #28211	**Allowance for Uncollectable Taxes**

APPENDIX 4
(Continued)

Halifax County Municipality

Dept. of Finance

Administration Centre
2750 Dutch Village Road
Halifax, Nova Scotia B3L 4K3
902-453-7580

March 9, 1990

Mr. Shingai Nyajeka
Research Analyst
Nova Scotia Department of
Municipal Affairs
P.O. Box 216
Halifax, N.S.
B3J 2M4

Dear Mr. Nyajeka:

RE: EASTERN PASSAGE STUDY - FISCAL SERVICES

Your letter of February 19, 1990 to Mr. Ken Wilson in regard to the subject was handed to me for a reply.

The attached schedules provide information in regard to allocation of various revenue accounts and the establishment of the asset valuation and working capital reserve.

Mr. Ted Tamm of the County's Engineering and Works department has forward to you, under separate letter head, the information you requested in regard to the sewer debt and operating costs.

Yours very truly,

Gary Smith

Gary M. Smith
Financial Controller

GMS:ndp

cc: K. R. Meech, Chief Administrative Officer

Account #15500

Short term interest

Suggested estimation of District 6 share is in two steps: First identify interest income not related to District 6 or specifically related to District 6 and adjust County totals accordingly. Second, apply to the net amount a percentage based on the District 6 1988 tax billing to 1988 total tax billing for the County:

Tax billing - 1983	Common Rate	Area Rate	Total
Total County	$22,555,306	$14,947,041	$37,502,347
District #6	$ 1,444,431	$ 1,011,173	$ 2,455,604
% District 6/Halifax County	6.4	6.8	6.5

1988 Halifax County Interest on investments - Per Audited Financial Statements

Total - Halifax County		$ 482,698
Less: Adjustments		
Shatford Hubbards Library Trust	$ 8,448	
Rehabilitation Centre - Current account estimate	18,600	
District loans	165,506	
Ocean View Manor - Current account estimate	6,400	
Town of Bedford - Capital charges	18,507	217,461
Net interest on deposits - Return on Investments		$ 265,237
Estimate of District 6 share: $265,237 x .065		$ 17,240
Add: Ocean View Manor - Specifically related to District 6		6,400
Estimated Total Short Term Interest - District 6		$ 23,640

APPENDIX 4
(Continued)

Halifax County - District 6 Study

Account #15500 (continued)

Interest on Special Assessments

	1988 Outstanding Capital Charges	
	1988 Outstanding Amount Receivable	Percent District 6 To Total Hfx. Co.
District #6 - Total	$ 86,877	6.4%
Halifax County - Total	$1,367,220	

Interest earned on special assessments per audited financial statements

Total for Halifax County	$ 155,299

Amount (6.4% x $155,299) applicable to District #6 $ 9,939

Account #15600 Penalties and Interest on Taxes

1988 Outstanding Taxes - Per Audited Financial Statements

	1988 Outstanding Taxes	Percent District 6 Total County
Halifax County - Total	$3,619,421	
District 6	$ 168,396	4.7%

The interest earned relates to outstanding taxes. In 1988 the District #6 share was $168,396 or 4.7% of the County total ($3,619,421).

Applying this percentage to the 1988 interest earned by the County yields the estimate for District 6 as follows.

Interest on Taxes for Halifax County	$427,856
Estimated interest on taxes for District 6	$427,856 x 4.7% = $20,109

APPENDIX 4
(Continued)

Halifax County - District 6 Study

Account #15900 Miscellaneous

This includes commissions earned, gifts and sundry income not classified under any other account. The County credits to this account an administration fee equal to one percent of area rates. Using the 6.5% relation of the District 6 tax billing to the County tax billing, the District 6 share of miscellaneous revenue is as follows:

1988 Halifax County Miscellaneous Revenue - Per Audited Financial Statements

Total Halifax County	$ 155,778
Less: 1% admin fee for area rates ($14,947,041 x .01)	149,470
Net "Miscellaneous Revenue" after adjustment	$ 6,308
Estimate of District 6 share: $6,308 x .065	$ 410

Account #28211 Allowance for Uncollectable Taxes

Page 3170 of the Manual of Accounting and Reporting Practices for Nova Scotia Municipalities provides that "A valuation and working capital allowance is to be maintained on the liability side of the balance sheet equal to the running average of the last three years outstanding receivables for taxes and rates (and interest, if applicable) as at year end.

The municipal council is to set aside in its budget an amount sufficient to bring the working capital allowance up to (or down to) the required amount.

Taxes receivable - District 6

1988	$168,396
1987	145,266
1986	116,983
	$430,645 ÷ 3 = $143,548 - amount required to established working capital and valuation allowance.

APPENDIX 5

Account #16261 Ice Control and Snow Removal

The grant payable to municipal units for ice control and snow removal is determined by using the estimated costs per kilometre of ice control and snow removal on public highways in the area and paying a percentage of the cost based upon the shareability determined from time to time for the city or town involved, for each kilometer under agreement. The following roads would be considered to be shareable under this grant:

Eastern Passage Road	
Cow Bay Road	
Bisset Road	
Total Metreage:	15.68 km

Information on the roads and their lengths was obtained from the Community Planning Division of the Department of Municipal Affairs.

The following costs for ice control and snow removal and metreage figures are for the Halifax Suburban Division as per the 1987-88 Annual Report:

Snow and Ice Control	$4,915,124
Total length of Roads	1184.1 km
Average cost per kilometre	$4,150.94

The cost for ice control and snow removal for the shareable roads based on the average cost per kilometre is:

Shareable Roads	15.68 km
Estimated Cost per kilometre	$4150.94
Total Cost	$65,087

The ice control and snow removal grant based on the foundation scale of 50% and the total expenditure for shareable roads in the Study Area is:

50% x 65,087 = $32,543

APPENDIX 6

Account #17532 Road Maintenance Grant

Total road maintenance expenditures for the Study Area were calculated using the costs for Bedford as well as some actual costs for the Study Area. These costs were then compared with similar municipal units for reasonableness.

The total expenditures for road maintenance for the Study Area were estimated to be $167,968.

To calculate the grant, a per kilometre estimate was determined and from this the total costs for road maintenance for the shareable roads was calculated.

Total Costs	$167,968
Total kilometres in Study Area	50.72 km
Estimated Cost per Kilometre	$3,311.67
Total Cost of Shareable Roads	
$3,311.62 x 15.68 km	$51,927

The actual grant paid to the municipality would be 50% of the total road maintenance expenditures based on the foundation scale and would be:

50% x $51,927 $25,963

APPENDIX 7

Account #17557 SOCIAL SERVICES - EXPENDITURES

Administration		$ 158,218
Social Welfare Assistance:		
General Assistance	$402,580	
Community Based Options	69,807	
Employment Resource Centre	2,945	
		475,332
Social Welfare Services		
Family and Child Services	9,805	
Grants	3,271	
		13,076
Other Social Welfare		
Homes for Special Care	341,274	
Homemaker Program	8,024	
Housing Subsidies	12,057	
		361,355
TOTAL EXPENDITURES		$1,007,981

Account #25700 SOCIAL SERVICES - REVENUES

Program	Total Expenditure	Fed/Prov Share (Revenue)
Administration	$ 158,218	$ 92,357
Social Welfare Assistance		
General Assistance	403,580	265,338
Community Based Options	69,807	49,329
Employment Resource Centre	2,945	2,209
Social Welfare Services		
Family and Child Services	9,805	2,123
Grants	3,271	1,805
Other Social Welfare		
Homes for Special Care	341,274	209,542
Homemaker Program	8,024	4,694
Housing Subsidies	12,057	0
	$1,007,981	$ 627,397

APPENDIX 7
(Continued)

HALIFAX COUNTY SOCIAL SERVICES

90/1/24

1988 SOCIAL SERVICES COSTS IN DISTRICT 6 (EASTERN PASSAGE)

The estimates of Social Services expenditures in District 6 reflect, as accurately as possible, the actual costs incurred in the 1988 calendar year. They do not necessarily reflect the costs which would be incurred by Eastern Passage were they to administer their own Social Services programs. No provision has been made for inflationary effects, nor for anticipated increases in program or administrative costs. As will be evident from even a cursory comparison of 1988 and 1989 costs, large increases were experienced in most program areas in 1989. It is clear from such a comparison that any cost projections based on 1988 figures alone will be invalid.

As an alternative to using the rather cumbersome method of estimating the number of staff required to administer various services in the Eastern Passage area, actual program costs have been calculated and administrative costs estimated as a certain percentage of these program costs. In fact, 1988 costs in the General Assistance, Homes for Special Care, Community Based Options, Homemaker and Employment Resource Centre programs in District 6 represented 5.2% of total costs in these program areas, so administrative costs were estimated at 5.2% of total administrative costs. This reflects the fact that the Eastern Passage area benefited from services such as eligibility review, research and development and family counselling. However, it does not reflect the real cost of duplicating these services in a small municipality. It also does not reflect the fact that, in many cases, portions of the time of Halifax County Social Services staff may be spent on behalf of clients in the Eastern Passage area. For example, it could take one full time field worker and half the time of another to serve clients in District 6. Support staff such as clerical workers, Family Counsellors and the Eligibility Review Officer also spend varying portions of their time on District 6 cases.

In most program areas, actual costs were calculated for use in the summary table. However, in the case of the Homemaker program, District 6 cases represented 2% of the total 1988 caseload. Therefore 2% of the total 1988 budget for the Homemaker Program was assigned to the Eastern Passage area. The Coordinated Home Care program only became fully operational in Halifax County in the fall of 1989. Large increases in caseloads and costs are anticipated in 1990.

The same method was used to calculate the percentage of Employment Resource Centre costs to assign to District 6. Fifteen of the 410 clients participating in the Employment Resource Centre in 1988 were from the Eastern Passage area. This represents 3.7% of the total cases so 3.7% of the Employment Resource Centre's budget was ascribed to District 6. While this represents an accurate estimate of costs incurred by the Halifax County Employment Resource Centre on behalf of District 6 clients, it does not represent the cost of running an equivalent program. Halifax County's Employment Resource Centre has been widely praised for it's success in helping

General Assistance clients return to the workforce. Without this program, General Assistance costs would be significantly higher in Halifax County.

A percentage of the amount of grants which Halifax County made to various community organizations in 1988 was assigned to the Eastern Passage area based on the percentage of the County's population residing in District 6 at that time. Grants to organizations not providing services to residents of the Eastern Passage area were not included in the calculation.

A levy of $.48 per Halifax County resident was paid to Family and Children's Services as the Municipality's share of administration costs for child protection services in 1988. This amount was simply multiplied by the September, 1987 population estimate for District 6. In addition to this levy, the Municipality is fully responsible for apprehension costs, and also responsible for a portion of the maintenance costs for children who are declared wards under the provisions of the Family and Children's Services Act. Although there were no apprehensions in District 6 in 1988, there were ongoing maintenance costs of $6,205. These costs, along with the levy, are included in the summary table.

Halifax County Municipality also paid a portion of the cost of senior citizen and other subsidized housing in the Eastern Passage area in 1988. There are 35 senior citizen housing units and two family units in the District. Because these units are located in the Eastern Passage area, a new municipal unit would be responsible for the total amount now paid by the County.

The actual costs for which the Municipality is responsible vary with the level of federal and provincial cost sharing for various programs. This is complicated by provincial budget capping which reduced the level of sharing in all program areas, with the exception of the Employment Resource Centre, in 1988. While a certain portion of program budgets is fully cost shared by the federal and provincial governments, the amount in excess of this portion is shared equally between the federal government and the Municipality. This resulted in a blended rate of cost sharing in these programs, which in 1988, saw the federal and provincial governments paying 63.8% and Halifax County 36.2% of total program and administrative costs.

In the General Assistance Program, which includes Community Based Options costs, the 1988 blended cost sharing rate was 67.5% federal and provincial, and 32.5% Municipal. Administration costs were shared 34.4% by the Municipality with other government levels paying the remainder.

Although full cost sharing was restored in 1989, cost sharing in Homes for Special Care was capped in 1988. The Municipality was responsible for 38.6% of these costs in 1988 with the federal and provincial governments paying the rest. With the advent of the Coordinated Home Care Program, full cost sharing (25% municipal, 75% federal and provincial) was instituted. However, in 1988 the sharing for the Homemaker program was only 58.5% with the municipality paying the remaining 41.5%. The Employment Resource Centre program was cost shared at 75% by the federal and provincial governments, with the Municipality responsible for 25% of the costs.

APPENDIX 7
(Continued)

Some grants which the Municipality made to organizations such as the Community Service Board for the Deaf, the Cole Harbour Girls' and Boys' Club, Planned Parenthood and the Volunteer Bureau/Help Line in 1988 were cost shared at 78% with other government levels. However, the province contributes directly to Bryony House so the Municipality's grant to this organization was not cost shared.

The levy placed on Municipalities for the administration of child protection services is not cost shared, nor are the costs associated with the apprehension of children by child protection agencies. Maintenance costs are shared equally with the provincial government. The figures in the summary table reflect these arrangements.

While the summary table is a reasonably accurate estimate of 1988 Social Services costs in District 6, it does not reflect the significant increases in program costs in the Eastern Passage area in 1989. Neither the 1988 nor 1989 cost estimates can be reasonably used as the basis for determining costs, were Eastern Passage to become an independent municipal unit responsible for the provision of social services. Economies of scale allow Halifax County to provide a comprehensive service at reasonable cost. A small municipal unit could not take advantage of such economies, nor would it be possible to duplicate the level of service or replicate the expertise which Halifax County has in the Social Services area.

No Social Services offices are located in District 6 and therefore none would be available to a new Municipality. The cost of leasing office space and office equipment along with other overhead costs would likely be higher than those incurred by the County in servicing District 6 because of economies of scale.

APPENDIX 7
(Continued)

SUMMARY OF 1988 COSTS IN DISTRICT 6 (EASTERN PASSAGE)

Program	Caseload	% of Total County Caseload	Total 1988 Expenditures	% of Total County Expenditures	County Share	Level of Cost Sharing
General Assistance	68[1]	4.2%	$363,982	5.1%	$118,944	32.5%
Community Based Options	8	6.1%	$ 69,807	6.6%	$ 22,687	32.5%
Homes for Special Care	16	4.3%	$341,274	5.3%	$131,732	38.6%
Homemaker Program	6	2%	$ 8,024	2%	$ 3,330	41.5%
Employment Resource Ctr.	15	3.7%	$ 2,945	3.7%	$ 736	25%
Administration	n/a	n/a	$ 81,718	5.2%[2]	$ 28,111	34.4%
Grants	n/a	n/a	$ 3,271	6.38%[3]	$ 1,966	22%[4]
Family & Child Services	n/a	n/a	$ 9,803	6.38%[3]	$ 7,682	50%[5]
Housing Subsidies	n/a	n/a	$ 12,037	n/a	$ 12,037	100%
Totals			$894,883		$326,675	

[1] For General Assistance and Community Based Options, this figure is the average monthly caseload.

[2] The percentage of administration costs assigned to Eastern Passage (District 6) is the same percentage as Eastern Passage program costs represent of total County costs in the General Assistance, Community Based Options, Homes for Special Care, Homemaker and Employment Resource Centre programs.

[3] This figure is the proportion of the total Halifax County population residing in District 6.

[4] This figure applies only to shareable grants. One of the grants included is non-shareable.

[5] The County share of child maintenance costs is 50%. However, this figure also includes a levy of $.48 per resident which is not cost shared.

APPENDIX 8

Account #21210 Office Space and Furniture Equiptment Costs

Department	Square* Feet		Furniture and ** Equipment Costs
Administration and Council:			
1 CAO	150		$ 2,100
1 Deputy Clerk	150		2,100
1 Accountant	100		1,900
1 Assistant Accountant	100		1,900
1 Computer Operator	100		8,400***
1 Programmer/Analyst	100		800
2 Secretaries (2 @ 70)	140	(2 @ 2,400)	4,800
Councillors' Office	250		3,800
Mayor's Office	150		2,100
Council Boardroom	300		5,000
Reception Area	100		2,400
	1,640		$35,300
Planning and Building Inspection:			
1 Building Inspector	100		$ 1,900
1 Property Inspector/ Enforcement Officer	100		1,900
1 Planner	100		1,900
1 Development Officer	100		1,900
1 Technician	100		1,900
1 Researcher/Draftsperson	100		1,900
2 Secretaries (2 @ 70)	140	(2 @ 2,400)	4,800
Drafting Area	300		-
Map Filing Area	400		5,700
Filing Area	300		3,100
Meeting Room	150		900
	1,890		$25,900
Transportation and Grounds:			
1 Director	150		$ 2,100
1 Engineer	110		1,900
4 Support Staff (4 @ 100)	400	(4 @ 1,900)	7,600
2 Secretaries (2 @ 70)	140	(2 @ 2,400)	4,800
1 Supervisor - Grounds	100		1,900
Foreman/Labourers	100		-
	1,000		$18,300

APPENDIX 8
(Continued)

Account #21210 Office Space and Furniture Equipment Costs

Department	Square* Feet		Furniture and ** Equipment Costs
Social Services:			
1 Director	150		$ 2,100
3 Social Workers	100	(3 @ 1,900)	5,700
1 Secretary	70		2,400
1 Meeting Room	150		900
	470		$11,100
SUBTOTAL	5,000		
and 15% for circulation	750		
TOTAL square feet	5,750		$90,600

Space for the Recreation Department, Police Department and fire Department will be located separately and so costs for that space have been included under the departments' individual accounts.

* The square footages assigned to each person are based on the standard space allowances in the Government of Nova Scotia Management Manual.

** Furniture and Equipment costs are amortized over five years in Appendix 15.

*** This includes

1 Microcomputer	$ 2,500
1 Printer	2,500
Software	2,500
	$ 7,500

This is also amortized over five years in Appendix 15.

Leasing Costs

ACCOUNT 21210	5,750 square feet @ $14/square foot	$80,500
ACCOUNT 28131	$150,000 for leasehold improvements/ 10 years	15,000
		95,500
ACCOUNT 28131	Interest on $150,000 amortized over 10 years	$ 17,000
	TOTAL LEASING COSTS/YEAR	$112,500

APPENDIX 9

Account 21290 Other General Administrative Services

1988 Staff	Bedford	28
	Eastern Passage	30

(Excluding Recreation, Police, Fire and Grounds)

Bedford

1988 Expenses

*Telephone System	$ 4,381	
Office Supplies	44,405	
**Rental Equipment	0	
Advertising	4,723	
Miscellaneous	10,585	
	64,094	
Reduced by 2/7 to take into account that these costs for Planning and Building Inspection are included under Acct #26100	18,313	
	45,781	
Maintenance	5,431	
TOTAL		$ 51,212

* Maritime Tel and Tel estimated $17,000 per year to rent or own a phone system where everyone had their own phone line and secretaries and the CAO had the larger telephones with more functions, however, we decided to use Bedford's figure as more reasonable.

** Bedford had no cost included under rental equipment. Eastern Passage may want to consider renting photocopy machines as the cost to buy them has not been included.

APPENDIX 10

Account #22000 Police Protection

AN ANALYSIS OF POLICING REQUIREMENTS FOR THE COMMUNITY OF EASTERN PASSAGE

Police protection estimates for the Study Area were calculated by the Department of Municipal Affairs using estimates from existing police departments in the Province as well as data on the average costs for RCMP services in the Province.

The intent of the study was not to plan the organization required for a police service but simply to examine the options available, to determine the approximate number of personnel required for a viable police service and, to estimate the approximate cost to operate such a service annually.

In looking at the options and associated costs for policing in the Study Area, there are some factors which should be taken into consideration. Firstly, while the Model has assumed that the Study Area will be serviced by its own force, the Department also recognizes the very real problem of acquiring that number of trained officers immediately. The new Regulations under the Police Act proclaimed in 1988 require that only those persons who are graduates of the police recruit training course at the Atlantic Police Academy or an equivalent Police Technology (Recruit) Course, or who have been a regular member of another force for a minimum of five years, can be hired as police officers in Nova Scotia.

Secondly, while the costs associated with the Study Area entering into a direct contract with the RCMP look the most cost efficient, it is important to be aware that the present Provincial RCMP Contract is being renegotiated and the results of these negotiations may increase municipal contract costs. The total impact will not be known until the negotiations are complete.

PRESENT POLICING IN NOVA SCOTIA

Under the Police Act of Nova Scotia "every municipality is responsible for the policing of and maintenance of law and order in the municipality and for providing and maintaining an adequate police force at its expense in accordance with its needs".

The obligation of a municipality to provide and maintain a police force may be discharged in one of three ways:

(1) By appointing a chief officer and such other employees as required.

(2) With the approval of the Nova Scotia Police Commission, entering into an agreement or agreements with the Government of the Province, or with the Government of Canada or another municipality, for the use or employment of an established police force, or any portion thereof as the municipal police force for the municipality.

(3) By the Province providing and maintaining police services in the municipality.

In 1988, the Province had 25 municipal police forces with an total strength of 728 persons. This included three cities and 22 towns. In addition, ten municipalities operated under a municipal contract with the Royal Canadian Mounted Police (RCMP) for their police service. The remainder of the Province was policed by the RCMP under contract with the Provincial Government.

APPENDIX 10 (Continued)

OPTIONS AVAILABLE AS TO TYPE OF POLICE SERVICE

Regional Police Force

The concept of a regional police force within the Metropolitan area has yet to be examined and, for the purposes of this Study was considered to be beyond the resources of the Department of Municipal Affairs and therefore, is not analyzed here.

RCMP Contract

The RCMP may enter into a direct contract with a municipal unit providing the population of the municipal unit is under 15,000.

For the purposes of this Study, we have assumed that the RCMP have agreed to enter into a contract with the Study Area. However, this must be negotiated directly with the RCMP who may or may not be willing to enter into new municipal contracts at this time.

Inter-Municipal Contract

The Study Area could, if both parties so agreed, contract with an adjoining or nearby municipal unit for police service. However, for a unit to enter into an agreement with an adjoining municipal unit, it must obtain approval from the Nova Scotia Police Commission.

The Department has included estimates in its analysis of the costs associated with contracting with Dartmouth. However, this information is in no way exact and is only for the purposes of general comparison with the cost of establishing a municipal police force and the cost of contracting with the RCMP recognizing the assumptions which underlie the accompanying figures.

Municipal Police Force

The Model assumes that the Study Area will be served by its own municipal police force. To proceed with an analysis based on any other assumption requires decisions beyond the jurisdiction of the Department of Municipal Affairs; the Study Area, or the Municipality of the County of Halifax.

POPULATION

According to estimates from the Halifax County Planning Department for 1988, the population for the Study Area is 8,505. However, approximately 1,228 are residents of Shearwater who would not require policing services. Therefore, for the purposes of this analysis, the population used is 7,277.

HIGHWAYS, ROADS AND STREETS

The Community Planning Division of the Department of Municipal Affairs has estimated that there are 50.72 kilometers of local streets and roads in the Study Area, all of which are paved.

APPENDIX 10 (Continued)

RATIO OF POLICE TO POPULATION

One of the yardsticks used in determining the number of police personnel required for a town or city is the police to population ratio.

Based on 1988 figures from the Canadian Centre for Justice Statistics, the national average of police personnel to population was approximately 1 to 486, while the Nova Scotia average was 1 to 611 which is the third highest of all the provinces and territories in Canada. These figures combine both municipal and rural policing in arriving at the ratios. If we looked strictly at the urban areas in Nova Scotia using the police to population ratio for the municipal units with police forces, then the ratio in 1988 was 1 to 462. Using these ratios, the police personnel that would be required for the Study Area exclusive of civilian staff would be:

1988 National Average	$\frac{7,277}{486}$	=	15.0
1988 Nova Scotia Average	$\frac{7,277}{611}$	=	11.9
1988 N.S. Municipal Police Average	$\frac{7,277}{462}$	=	15.8

Factors other than population can also enter into the determination of the ratio and these include the degree of industrialization, location relative to other centres of population, incidence of crime and desired level of service. For example, the City of Halifax, a capital city, a seaport, a center of entertainment, with a large hospital complex and numerous educational complexes had a ratio of one police officer to 442 people, which is above the national average.

Table 1 illustrates the present police to population ratios of the municipal units in Nova Scotia with local forces and the average police to population ratio for the Province.

The Model assumes an approximate ratio of 1 to 500 for the Study Area. This is above the average for municipal units in the Province, above the national average as provided by the Canadian Centre for Justice Statistics but below the Nova Scotia average provided by that group. However, as pointed out earlier, these latter two statistics include both urban and rural policing. It is felt that the 1 to 500 ratio would be acceptable to the Nova Scotia Police Commission and it is unlikely that the Police Commission would allow a much lower ratio for a new municipal force. Using this ratio, the following police complement (excluding civilian personnel) would be required to serve the Study Area:

Population	7,277		
Ratio	1 to 500		
Police Complement	$\frac{7,277}{500}$	=	15 members

APPENDIX 10 (Continued)

ESTABLISHING A NEW MUNICIPAL FORCE

In addition to the 15 police personnel, additional civilian personnel would also be required. In 1987, the national average of civilian personnel was 21.1 percent of the total police personnel. This suggests a civilian complement of about 3 people would be required for the Study Area. These include such positions as secretaries, clerks, dispatchers, reception and other needs.

Salaries and fringe benefits for the personnel in this section must be based on or near that supplied to other municipal forces in the metropolitan area. If this is not done first class candidates will be attracted to other forces who are always engaged in recruiting the best candidates available. In the Model, salary figures for Bedford were used and then compared with similar municipalities across the Province.

A police station is essential and the Model has assumed that it will be leased at a cost of $14 per square foot and that the total requirement for both the station and the lockup would be 3000 square feet.

Four fully-equipped vehicles will be required. One vehicle will be shared between the chief and deputy chief and there will be one available for each of six officers. The initial year's cost of the vehicles if approximately $20,000 per unit. To ensure that the vehicles are at a reasonable state of operational dependability, it would require replacement of the vehicles annually or when 100,000 kilometers is reached. For the purposes of the study, we have capitalized the vehicles over 3 years.

The Communications System is something that must be worked out directly between the police department and M T & T, or a similar company. Costs for such a system can vary widely depending on the specific requirements of the unit. For the purposes of this Model, the Department used the cost incurred by Bedford for the installation of its system, $115,000, and increased it by the Consumer Price Index to get a cost for the Model. In addition, there will also be annual maintenance agreements for the system.

The following costs are considered to be fair estimates of the cost of a local police service and is based on information from various municipal units:

Salaries and Benefits (Police Personnel)	$536,000
Salaries and Benefits (Civilian Staff)	73,000
Vehicle Maintenance	24,000
Building Services(Maintenance, Utilities)	20,000
Telephone and Communications System	30,000
General Supplies	6,000
Training	6,000
Miscellaneous	3,000
Crime Investigation and Prevention	2,000
Lockup Expenses	6,000
Building Lease	42,000
Uniforms and Personal Equipment	30,000
Services - Court Prosecutor	1,500
Traffic Control	14,000
Small Equipment	3,000
TOTAL:	$796,500

APPENDIX 10 (Continued)

DIRECT CONTRACT WITH THE RCMP

There are 10 municipal units in Nova Scotia that operate under a direct contract with the RCMP in the Province. The following shows the municipal units and their corresponding police to population ratios for the RCMP contracts:

MUNICIPAL UNIT	REGULAR* RCMP STRENGTH	1986 POPULATION (FINAL)	POLICE TO POPULATION RATIO
Yarmouth	14	7,617	544
Antigonish	8	5,291	661
Digby	6	2,525	421
Liverpool	5	3,295	659
Oxford	3	1,376	459
Parrsboro	3	1,729	576
Pictou	6	4,413	736
Port Hawkesbury	5	3,869	774
Shelburne	4	2,312	578
Windsor	7	3,665	524
TOTAL:	61	36,092	592

*RCMP Strength provided by the Solicitor General's Office

Based on this and using the average police to population ratio for Direct Municipal Contracts with the RCMP, the number of RCMP required to police the Study Area would be:

Population	7,277		
Ratio	1 to 592		
RCMP Complement	7,277 / 592	=	12.3 members

This is approximately the same complement that is used to police the Town of Yarmouth so cost estimates from the Town of Yarmouth were used to determine the costs of policing for the Study Area under a Direct Contract with the RCMP. These figures were then compared against the average costs of RCMP service in the Province for reasonableness.

Based on the costs for the Town of Yarmouth for 1988 and using a per officer estimate, the costs for a Direct Contract with the RCMP for the Study Area and the additional costs the Study Area would have to assume are:

RCMP Contract	$552,857
Police Station and Buildings	28,200
Administration	46,500
	$627,527

The costs shown above include not only the costs for the RCMP officers but also the cost for civilian staff and the cost of a building to house the staff. These cost may vary somewhat for the Study Area as the costs of leasing may vary. However, the figures as shown are a good estimate of what an RCMP contract would cost as the standard contract costs are the same Province wide.

APPENDIX 10 (Continued)

INTER-MUNICIPAL CONTRACT

For the purposes of general comparison, the Department undertook to establish broad estimates of the cost of having police service provided to the Study Area by the City of Dartmouth.

The estimates shown below assume that the same level of police service would be provided in the Study Area as currently exists in the City of Dartmouth.

Dartmouth

Following the method used in the 1987 Sackville Study and the 1980 Police Commission study, it was felt that a reasonable estimate of the cost of a contract can best be determined by utilization of the current yearly cost of the Dartmouth Police Service compared to its population and comparing this ratio to the population of the Study Area.

Population	65,233
Total Police Costs	$8,362,981
Per Capita Costs	$128

Using this formula, the estimated annual cost to contract for police service with Dartmouth would be:

Population of Study Area	7,277
Average Cost per Capita	$128
Estimated Contract Cost	$931,456

RAPID COMPUTER

Metro units have recently purchased a shared computer system for police which will be cost-shared among the three units on the basis of uniform assessment. The model does not take this cost into account as participation requires approval of the three municipal units. However, the system was set up so as to provide for expansion so it is likely Eastern Passage will be able to hook into it. Eastern Passage will have to contribute to the operating costs of the system plus provide their own terminals, peripherals, etc. to run the system.

APPENDIX 10 (Continued)

TABLE 1

MUNICIPAL POLICE DEPARTMENTS
as of December 31, 1988

MUNICIPAL UNIT	REGULAR* POLICE STRENGTH	1986 POPULATION (FINAL)	POLICE TO POPULATION RATIO
Amherst	19	9671	509
Annapolis Royal	2	631	316
Bedford	18	8010	445
Berwick	5	2058	412
Bridgewater	14	6617	473
Dartmouth	148	65243	441
Dominioin	5	2754	551
Glace Bay	38	20467	539
Halifax	257	113577	442
Hantsport	3	1357	452
Kentville	11	5208	473
Lunenburg	7	2972	425
Mahone Bay	3	1093	364
Middleton	6	1772	295
New Glasgow	23	10022	436
New Waterford	14	8326	595
North Sydney	11	7472	679
Springhill	9	4712	524
Stellarton	9	5259	584
Sydney	68	28115	413
Sydney Mines	13	8063	620
Trenton	7	3083	440
Truro	26	12124	466
Westville	6	4271	712
Wolfville	6	3277	546
Total	728	336154	462

* Police Strength as of December 31, 1988. Information provided by the Nova Scotia Police Commission.

APPENDIX 11

Account #22400 Fire Protection

Account	Item	1988 Actual
22470	**Buildings and Grounds**	
	Fuel and power	$ 12,645.47
	Repairs and maintenance	12,725.25
	Insurance	5,225.00
	Sundry	2,587.60
	Capital Items	7,807.12
		40,990.44
22480	**Vehicles**	
	Fuel	1,837.19
	Repairs and maintenance	6,183.21
	Insurance and license	2,550.00
	Capital items	50.63
		10,621.03
22480	**Equipment**	
	Repairs and maintenance	1,811.79
	Capital items	18,331.09
		20,142.88
22430	**Communications**	
	Repairs and maintenance	1,281.79
	Telephone	22,652.48
	Capital items	6,258.10
		30,191.65
	Debt Charges	
28131	Principal	65,000.00
28121	Interest	66,223.30
		131,223.30
22420	**Staff Wages**	65,546.18
22420	**Staff Benefits**	38,772.04
	Total Fire Protection	$337,487.52

Note: The actual net levy against the Study Area was less than the total expenditure shown. After accounting for grants-in-lieu ($71,961.29), a County grant ($19,500.00), sundry revenues ($1,362.00) and an operating deficit, the net levy for fire protection came to $181,749.11.

APPENDIX 12

Account #22450 Water Supply and Hydrants

The City of Dartmouth Water Utility services fire hydrants for Eastern Passage and other County communities in the surrounding areas. The fire hydrants and related 1988 costs are as follows:

	Hydrants	1988 Payments
Hydrants in the Dartmouth Area	1,397	$1,220,948
Hydrants in County Communities	687	$592,440

Allocation to Eastern Passage
Based on County Payments and Related Hydrants

	Hydrants	1988 Payments
Hydrants in County Communities	687	$592,440
Hydrants in Eastern Passage	186	-
Percentage and prorated cost	27%	$160,000

APPENDIX 13

Environmental Planning and Zoning

M E M O R A N D U M

TO: Nancy Dempsey-Crossman

FROM: Valerie M. Spencer, Director of Planning & Development

RE: Eastern Passage Study

DATE: February 16, 1990

Assuming an independent set-up for District 6 in 1988 dollars:

A. General Office (includes supplies and operations; includes travel and training; excludes capital acquisitions)		$ 21,000	
B. Inspection Services:	1 building inspector 1 property inspector/ enforcement	$ 51,700	(includes salaries/ benefits)
C. General Approvals:	1 development officer	$ 52,800	Possible merger: save $20,000± by assuming one individual to act as planner/ dev. officer
D. Planning Services:	1 planner 1 researcher/draftsperson	$ 53,900	
E. Clerical Services:	2 secretaries/clerks	$ 40,100	
	Total	$219,500	$200,000

VS/gf

APPENDIX 14

Account #23000/#28131 Transportation Services: Capital

Equipment - Sackville

1 Bombardier (Sidewalks)	$ 42,960
1 Backhoe/Loader	53,700
1 One ton 4x4 Chevrolet (with box - moving materials, crew - summer: carries asphalt mix)	27,924
1 Salt/Dump Truck International (plowing, sale - has plow and wing, used for main streets)	48,330
1 One ton 4x4 Chevrolet (with plow - summer: service truck, materials, garbage)	32,220
*2 Snow blowers (small)	2,857
1 Salt Dome	102,030
	$310,021
Capital Projects	156,514
Total	$466,535

* Included in operating budget.

APPENDIX 15

Account #28131 Schedule of Debt Payments

ITEM	1988 TOTAL NEW DEBT	NEW DEBT SUGGESTED PERIOD	1988 PRINCIPAL PAYMENT	1988 11% INTEREST PAYMENT	1988 TOTAL PAYMENT
Transit	-	-		14,000	14,000
Side walks	-	-			13,000
Fire Protection	-	-	65,000	66,000	131,000
Parks/Play grounds - vehicles	85,000	5	17,000	9,000	26,000
Leaseholds	150,000	10	15,000	17,000	32,000
Office Equipment plus computer	90,600	5	18,000	10,000	28,000
Police					
Vehicles(3)	60,000	3	20,000	7,000	27,000
Radar Detection (2)	6,444	5	1,000	1,000	2,000
Furnishings	23,682	5	5,000	3,000	8,000
TV Monitor for Lock-up	10,740	5	2,000	1,000	3,000
Communications System	123,510	5	25,000	14,000	39,000
Transportation					
Salt Dome	102,000	10	10,000	11,000	21,000
Trucks & Equipment	205,000	5	41,000	23,000	64,000
Capital project	157,000	10	16,000	17,000	33,000
Treatment Plant	-	-			173,000
Trunk Lateral	-	-			108,000
Less DMA Capital Grant					(37,000)
Total to Account #28131					685,000

APPENDIX 16

Account #24320 Garbage and Waste Collection

Account #28430 Transit

Halifax County Municipality

Dept. of Finance

Administration Centre
2750 Dutch Village Road
Halifax, Nova Scotia B3L 4K3
902-453-7580

FEB 1990
RECEIVED
Policy Development & Research
Dept. Municipal Affairs

February 20, 1990

Mr. Shingai Nyajeka
Research Analyst
Nova Scotia Department of
Municipal Affairs
P.O. Box 216
Halifax, Nova Scotia
B3J 2M4

Dear Mr. Nyajeka:

RE: EASTERN PASSAGE - TRANSIT AND SOLID WASTE MANAGEMENT COSTS

Your letter of February 2, 1990 to Mr. Brian Smith, Metroloplitan Authority, has been forwarded to me for reply.

I've prepared the attached Schedule which outlines the estimated 1988 costs for each of the services indicated in accordance with information we have on file.

Yours very truly,

Gary M. Smith
Financial Controller

GMS:ndp

Enclosure

cc: Mr. Brian Smith
Director of Planning
Metropolitan Authority
577 George Street
Halifax, N.S.
B3J 1M3

APPENDIX 16
(Continued)

Halifax County Municipality

District #6 Costs - 1988

Transit

Route 60 - Eastern Passage - 1988 route operating deficit based on route mileage as determined by Metropolitan Authority	$144,139
Estimated share of other expenses including capital debt charges	13,894
Total estimated municipal contribution for transit service (1988)	$158,033

Solid Waste Disposal

Total cost allocated to County by Metropolitan Authority for solid waste disposal (1988) - $1,146,314

Total County Tonnage (1988) - 65,183.36 tons

Cost per ton = $\frac{\$1,146,314}{65,183.36 \text{ tons}}$ = $17.59 per ton

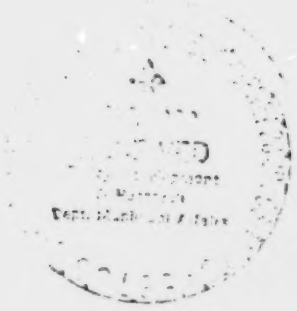
District #6 tonnage (1988) - 4,256.30

Estimated District#6 desposal cost = 4,256.30 x 17.59 per ton =	$ 74,868
Collection cost - Lee Beazley collection contract =	127,462
Advertising and administration - Estimated share of total County cost based on tonnage =	1,276
Estimated District#6 Solid Waste Disposal Cost (1988)	$203,606

APPENDIX 17

Account #27000 Recreation Services

Estimated Expenditures for a
Parks and Recreation Department
in Eastern Passage/Cow Bay



Staff - Full Time

Director - 36,000.00
Programmer - 25,000.00
Secretary - 18,000.00
Teen Center Co-ordinator - 20,000.00

Part time - 7000.00

Benefits - 13,780
Total Staff 119,780.00

Office

Advertising	*5,000.00*
Travel	*3,500.00*
Conference	*800.00*
Insurance	*6,000.00*
Office Supplies	*2,000.00*
Service Maint. Machines	*150.00*
Memberships	*300.00*
Miscellaneous	*500.00*
	18,250.00

Capital Out of Revenue.

Office - start-up cost - 6500.00
Desks, chairs, typewriter, photo copier, shelves, files, etc.

APPENDIX 17
(Continued)

Summer Program

Instructor Fees	*16,000.00*
Rent Facilities	*300.00*
Travel	*500.00*
Other	*1800.00*
Recoveries	*8000.00*
	10600.00

Winter Program

Instructor Fees	*7000.00*
Rent Facilities	*1500.00*
Other	*1500.00*
Recoveries	*7500.00*
	2500.00

Fall Program

Instructor Fees	*5500.00*
Rent Facilities	*1000.00*
Other	*1200.00*
Recoveries	*6000.00*
	1700.00

APPENDIX 17
(Continued)

Teen Program

Instructor Fees		*19000.00*
Travel		*1500.00*
Other		*2000.00*
Recoveries		*4500.00*
		18000.00

Sports Equipment Consumable	-	*3500.00*
Parks Equipment - Playground	-	*5000.00*
Special Events Volunteer Week Carnivals	-	*1200.00*
Recreation Center Operations	-	*26,000*

APPENDIX 17
(Continued)

Parkland Maintenance

	IDEAL SITUATION		PRESENT SITUATION (AMOUNT USED IN CALCULATION)
Salary - Full Time			
1 Supervisor - 30,000.00			30,000
1 Foreman - 26,000.00			-
3 Labourers at 23,000 = 69,000.00		(part-time)	34,500
	125,000.00		64,500
Benefits -	*16,250.00*		8,385
			72,885
. Operating			
Power	*2,300.00*		
Rental (Premises)	*18,000.00*		
Travel	*1500.00*		
Transportation	*12,000.00*		
Insurance	*5,000.00*		
Supplies	*10,000.00*		
Telephone	*800.00*		
Rentals - Equipment	*1500.00*		
	51,100.00		51,100
			123,985

Capital out of Revenue

Start up costs would include:
2 trucks,
trailers
mowers
1 tractor
power equipment.

-85,000.00

Total Parkland Maintenance

- 277,350.00 208,985.00

APPENDIX 18

Joint Expenditures with Metro Units

Costs of operating a number of joint services are shared jointly by metro units on the basis of uniform assessment. These include the Joint Expenditure Board, the Court House Commission, Halifax Port Authority, Metropolitan Authority - Administration and Metropolitan Planning Commission (MAPC).

The uniform assessment percent split between Eastern Passage and the Halifax County without Eastern Passage is as follows:

	1988 Uniform Assessment	Percent Share
Halifax County (without Eastern Passage)	2,834,513,750	93.03%
Eastern Passage	212,460,620	6.97%
Total	3,046,974,370	100.00%

Applying the uniform assessment percentages to joint services costs in 1988 Halifax County financial statements, and rounding to the nearest one thousand dollars:

Program	1988 Halifax County Contribution (Actual)	1988 Eastern Passage Calculated Share
28410 Metropolitan Authority (administration)	71,460	5,000
28320 Joint Expenditure Board	252,166	18,000
28422 Court House Commission	95,140	7,000
28461 MAPC	25,444	2,000
28490 Halifax Port Authority	67,510	5,000
Total	511,720	37,000

APPENDIX 19

Account #28477 Contribution to District School Board

Mandatory Contribution
Based on 1988 Uniform Assessenet
And Education Tax Rate of 37 cents/$100 Uniform Assessment

	1988 Uniform Assessment	Percent Uniform Assessment	1988 Mandatory Contribution	Percent Mandatory Contribution
Halifax Co.(Excld BP)	2,834,513,750	82.34%	10,487,701	82.34%
Eastern Passage	212,460,620	6.17%	786,104	6.17%
Bedford	395,279,070	11.48%	1,462,533	11.48%
Total	3,442,253,440	100.00%	12,736,338	100.00%

Supplementary Contribution to School Board
Based on 1988 Student Enrolment
Total Contribution $1,250,729:

	1988 Student Enrolment	Percent Student Enrolment	1988 Supplementary Contribution	Percent Supplementary Contribution
Halifax Co.(Excld BP)	26,173	90.11%	1,127,017	90.11%
Eastern Passage	1,254	4.32%	53,998	4.32%
Bedford	1,619	5.57%	69,715	5.57%
Total	29,046	100.00%	1,250,729	100.00%

Total Mandatory and Supplementary
Contribution to District School Board

	1988 Mandatory Contribution	1988 Supplementary Contribution	1988 Total Contribution	Percent Contribution
Halifax Co.(Excld BP)	10,487,701	1,127,017	11,614,718	83.04%
Eastern Passage	786,104	53,998	840,102	6.01%
Bedford	1,462,533	69,715	1,532,247	10.95%
Total	12,736,338	1,250,729	13,987,067	100.00%

Total of Study Area to Acct. #28477 $840,000